

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into the impact of the high levels of unmet demand for places in higher education institutions on Victoria

Melbourne — 10 November 2003

Members

Ms H. E. Buckingham

Mr N. Kotsiras

Ms A. L. Eckstein

Ms J. R. Munt

Mr P. R. Hall

Mr V. J. Perton

Mr S. R. Herbert

Chair: Mr S. R. Herbert

Deputy Chair: Mr N. Kotsiras

Staff

Executive Officer: Ms K. Ellingford

Research officer: Dr G. Berman

Witness

Ms E. Thompson, National Education Officer, National Union of Students.

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — Hello and welcome. I declare this hearing of the Education and Training Committee open. The Education and Training Committee is an all-party joint investigatory committee of the Parliament of Victoria. It is hearing evidence today in relation to the inquiry into the impact of unmet demand for places in higher education institutions in Victoria. I wish to advise all present at this hearing that all evidence taken by the committee, including submissions, is subject to parliamentary privilege and is granted immunity from judicial review pursuant to the Constitution Act and the Parliamentary Committees Act. I welcome the National Union of Students to today's hearing. Just for the record, could you please state your full name, position and the organisation you are representing.

Ms THOMPSON — Elizabeth Maree Thompson, I am the national education officer with the National Union of Students.

The CHAIR — Would you like to make a statement to start off with?

Ms THOMPSON — I would like to. Just to make the committee aware, the National Union of Students represents over 700 000 tertiary students in Australia. Our member organisations include student unions of dual-sector — that is, TAFE and higher education institutions — thus we feel uniquely placed to speak to student concerns over unmet demand for places at higher education institutions as well as the impact such issues have on conditions in the TAFE sector. The question of unmet demand is one of national concern for our union, but I am here to speak to the committee as a representative of our member organisations in Victoria and as a Victorian higher education student myself, although I am aware that clearly there is a bunfight over how to deal with marginal places and how to convert them to fully funded places. We feel it is important to have a national perspective on these questions.

In the submission to this committee regarding unmet demand for places in higher education institutions in Victoria, the National Union of Students would like to make particular reference to questions of the impact of federal policies on unmet demand, and the pressure this problem places on TAFE and national-level cooperation between the vocational education and training and higher education sectors. Whilst I will touch on concerns regarding sufficient teaching and nursing places, I have every confidence that our comrades in the Australian Nursing Federation can deal with these issues in depth, so I will probably leave those largely to the side.

It was first revealed in April this year that more than one-third of the almost 26 000 students who miss out on university places in the country are from Victoria. These figures from the Australian Vice-Chancellors Association (AVCC) have recently come under attack from the Royal Melbourne Institute of Technology vice-chancellor, Ruth Dunkin, who questioned the figures on the basis that those who limit their application to one or two places are not serious contenders for a place. To add to Ms Dunkin's criticism, this suggests that those who are choosing university based on a thorough knowledge of the subjects available, or on a passion for a particular course, are not considered as serious contenders. As someone who has graduated recently with honours at Monash and only put two courses down on her Victorian Tertiary Admissions Centre (VTAC) form, I think it is a little ridiculous.

It is patently obvious to the National Union of Students that federal funding priorities are contributing to unmet demand. In a particularly brazen example of the use of lies, dammed lies and statistics, the federal government has changed its method of counting domestic student numbers to include those in summer semester, effectively counting thousands of students twice, in order to hide, we believe, the contraction in the participation of domestic students in the system overall.

Whilst the NUS is more than willing to engage in the development of a framework for the sustainable management of demand, and it recognises that there cannot be infinite expansion of the system, the current framework for reform does nothing to provide an environment where such a discussion can take place. Antagonism of student unions, proposals which massively increase student debt and a package which puts the very existence of some non-metropolitan institutions at risk is no way to have such a debate.

I would like to make the committee aware that the Victorian College of the Arts directorate has issued a statement basically acknowledging that it considers the very existence of the institution to be under threat. That would be a loss of a further 1000 student places in Victoria, and the loss of a fairly fundamental liberal arts college in the country.

To directly address the question of how unmet demand impacts on technical and further education, it seems obvious that increasing unmet demand in the sector will lead to many students looking to the TAFE sector to further their skills and knowledge. This much has been acknowledged by the Victorian TAFE Association, a peak employer body representing publicly owned providers of vocational education and training in Victoria in its

submission in response to the federal government's *Varieties of Learning: the Interface between Higher Education and Vocational Education and Training* discussion paper in December 2002 in which the association also decried the underfunding of the TAFE sector in Victoria.

On the impact of federal funding cuts on unmet demand the link is obvious; however, if students and their needs are to be at the forefront of our minds the buck-passing between state and federal governments and educational institutions must cease. It is with great disappointment then that due to state government funding cuts and Victoria University funding priorities the community development diploma at Victoria University has recently been axed. Such decisions do nothing more than exacerbate the effects of unmet demand in the higher education sector on the TAFE sector.

Improving cooperative arrangements at a national level between vocational education and training and higher education is clearly a desirable objective. However, we feel the federal minister has got the problem completely backwards with his outrageous assertions that TAFE students are somehow roting the system by articulating to an undergraduate degree through the TAFE system. Rather than imposing the university fee structure with all its associated debt regimes and barriers to access on TAFE, the university system could do well to learn much from the TAFE sector's commitment to accessible and affordable education which is responsive to and accountable to the community and a diverse student body.

Formal articulation processes are of particular concern to the NUS in regard to TAFE students and having their qualifications recognised as they articulate into the higher education system. However, the NUS sees nothing positive for students in the TAFE sector and replicating the inequitable fee structures in place in higher education. Thus far we see the way the debate has been framed as very much trying to force TAFE students into paying higher fees, much like higher education students, and there has been very little acknowledgement of the particularly important role TAFE plays in the community. We feel the federal minister's comments in regard to TAFE students have been nothing more than antagonistic.

It should also be noted that the federal government no longer provides state breakdowns of figures regarding loss of HECS-liable places. I would use the phrase 'lies, damned lies and statistics' again in regard to that. There has been a lot of fiddling and creative accounting going on since the last triennium report, and a lot of different mechanisms have been used to count student numbers which we believe are hiding the true effect of unmet demand on the system, so we have done a lot of our own research into the number of places that have been lost. Obviously there are some figures around unmet places, but there are also the places that have been lost due to the loss of HECS places. Just from last year, that are 50 at the University of Ballarat, 40 at Melbourne University, 50 at Deakin University, 50 at La Trobe University, 80 at Monash University and 90 at RMIT. I could back all the way to 1996, although we do have state breakdowns of figures from the federal government before then. But, to highlight, that is another problem we have in looking at what is going on at a state level throughout the sector. The federal government is being quite obstinate in not providing those figures. We are having to do a lot of that work ourselves.

I am happy to answer any questions about any of those things, but I will finish there.

Mr KOTSIRAS — Do you see a role for the state government to play in meeting unmet demand in universities?

Ms THOMPSON — The state government has a very important role to play in that sense. Obviously it is in many ways a lot easier in terms of, for example, assisting with articulation arrangements between TAFE and higher education. Clearly the state government has a much more clearly defined role in terms of the TAFE sector, and that is something that I think could be looked at in particular.

There is also a role, again in terms of talking particularly about an institution like VCA and the various statutes under that institutional exists, for the state government. Although again — and I suppose this is where the frustration and buck-passing comes in — it is very difficult for us to know, and even it seems for state governments to know sometimes, what role they can play, apart from things like university councils and articulation through the TAFE sector. Considering what is going on at a federal level and the fact that the state government does have a role in terms of university councils et cetera, there is a constructive role the state government could play, but it is obviously quite difficult for us to work out at times exactly what that is.

Mr KOTSIRAS — Do you see a role for private universities or private providers in meeting unmet demand?

Ms THOMPSON — Obviously we have a longstanding position within the NUS against the privatisation of institutions. Melbourne University Private is a spectacular example of exactly why that is. We certainly have been opposed to extending certain arrangements in terms of HECS and those kinds of things to private institutions. We feel that is not an appropriate way to make up the shortfall, and it drives institutions into arrangements with even more unaccountable organisations than the federal government is at the moment. There are questions of commercial in confidentiality, and also the question of the role of bodies like university councils, which the state government does have some influence over. It certainly creates a lot of problems. We support fully publicly funded and free higher education, and we certainly will not compromise on that. We do not believe in driving institutions towards private companies.

Mr KOTSIRAS — The government recently announced that it would be increasing fees at the TAFE level. Do you think this will have an impact on the number of students who have not got into university and therefore have gone to TAFE? Would this have an impact on those students going to TAFE?

Ms THOMPSON — Absolutely! Again one of the fantastic things that the TAFE sector, in terms of not just the student unions but the institutions themselves, keep a very close eye on is their responsiveness to the community. Whilst the minister asserts that it is some kind of backdoor rorting option, clearly it is a cheaper option for those who can never dream of affording higher education. Clearly the statistics are there in regard to the impact fees have on university students. When you look at the TAFE cohort in terms of socioeconomic status and background, and the number of students from non-English-speaking backgrounds who attend TAFE, it will absolutely and obviously have an appalling effect on people's access to the TAFE system and, yes, articulating to higher education through that sector, which we have absolutely no opposition to.

Ms MUNT — I have two questions. The first concerns the student view — that is, what views you have formed or what views you have. We have been hearing that there are going to be particular concerns in the northern suburbs and in regional areas with changes to overenrolments of student and what that will mean to student placements for students to go into, particularly next year. Has your organisation thought about that and the impact that it will have on students? My second question is: what are the student views on the commonwealth changes to fees for tertiary education? Is a view coming through on what the impact will be, perhaps with fully fee-paying places and higher HECS fees? What impact will that have on your members.

Ms THOMPSON — I will answer the second question first. The NUS had a position against HECS, and it certainly has a position against the increase in HECS. Some of the papers that were coming out of the Department of Education, Science and Training a little earlier in the year had sections that were not originally put into those papers but that were then subsequently leaked to the media in terms of the impact that HECS will have on students.

We are absolutely opposed to any increase in fees and we feel this is just another form of private revenue raising in terms of pushing the burden onto students. Australian students are the most highly taxed students in OECD countries in terms of paying for higher education. The NUS position on that is obvious. We are absolutely opposed to any further increases in HECS. We feel HECS has been damaging enough already. We will fight and we will have no compromise on that. As we stand in solidarity with staff unions, we do not want to see extra funding coming through to the sector by cutting back on staff condition conditions. The staff union stands with us on the question of no more student fees.

In terms of the marginally funded places, obviously much is going to come out in terms of how and where those are going to be allocated. It seems a little unclear at this stage. Again the entire package does not do enough to address demand in certain places. I suppose I would make particular reference to nursing in that regard. I am sure the Australian Nursing Federation will talk about that later, but it is one area where demand is absolutely outstripping supply, and at a time when we have a shortage of nurses it makes very little sense. Making those marginally funded places fully funded places also creates a lot of problems for universities, and it is not a solution.

Mr HALL — First of all, thank you for your submission, and congratulations on the way you have delivered. You are certainly very competent in doing that. In the submission you have provided for us to the federal inquiry you made some comment about regional higher education and the proposed impact that you think it will have on regional institutions. Could you elaborate on that? How do you think the proposed changes at the federal level will impact on regional campuses of universities?

Ms THOMPSON — I could make particular reference to a couple of institutions. Monash University is a group of eight institutions, but it has quite a few regional or non-metropolitan campuses. Even the Clayton campus is considered non-metropolitan, which is probably not entirely accurate in terms of its cohort.

You can look at the situation at, for example, Gippsland where, because of the uncertainty of new funding coming in and its contingency on workplace reform and that kind of thing, the university is starting to centralise some of its more popular courses at the Clayton campus — it is essentially batten down the hatches. The institution at Gippsland is one of those institutions that I think does a spectacular job in terms of being responsive to the community as well as being considered to be at a very high rate — a higher education institution. Its engineering degree is very well regarded within the local community, to the point that when Monash University axed that degree or essentially took most components of the degree and moved them to the Clayton campus, except for civil engineering, the entire community rallied around the Gippsland campus.

It is difficult when you look at an institution like Monash and see that it is a group of eight institutions and it will probably do reasonably well under this package, but that in order to do that it is starting to batten down the hatches and centralise some of its courses into the Clayton campus. And Gippsland, which was functioning very well and was not having any financial problems, is looking at cutting costs all over the place. They have ripped that engineering degree out of the Gippsland community, which has had a massive impact. I mean, we are talking about the Latrobe Valley, and this is why the CFMEU got behind the campaign. Engineering and that field provides a massive amount of employment in that area, and certainly the Gippsland engineering degree is a lot more highly regarded than the degree taught at the Clayton campus. But in terms of the ability to keep that running, Monash has very much decided to batten down the hatches. It has closed down its arts faculty at the peninsula, it has closed down most of the engineering degree at Gippsland, and these are the effects we are starting to see already in terms of things like research funding not being extended to more regional campuses.

Mr HALL — How do you stop that occurring? Does the NUS have a position and a suggestion on how to stop courses at regional campuses being downgraded or abolished?

Ms THOMPSON — A lot of it is very much a simple question of funding. Again you can read many submissions to the many inquiries into higher education over the years, and there is just no way to get around it other than we need more money — we require more money for teaching staff and we require more money for infrastructure, and they are the bare bones of it. It sounds like we are just a broken record in many regards, but the problem with the way we have tried to engage with this inquiry is that there is no scope for saying that what we require is more funding to certain areas — crisis funding to certain campuses and more funding overall to the sector — because that has been ruled out from the beginning. We feel like we are shifting around the deck chairs on the *Titanic*. There is no other way to say we need more money — we have said it again and again and again — and you cannot start addressing some of these problems without a serious injection of funds.

Mr HALL — What about tagging funding for some places to be delivered at regional campuses — that is, with agreement between the federal government and universities, require that some of those placements must be delivered at regional campuses?

Ms THOMPSON — I think these kinds of things can be looked at, but again I do not think it is a substitute for a massive injection of funds. I think tagging places has its own issues in terms of who makes — I mean, the thing about an institution like Gippsland is that it has responded very well to the community and it has made the decisions about how to engage in the community, and its courses are based, I suppose, less on federal priorities as to what Gippsland should be doing and more on Gippsland priorities as to what Gippsland should be doing. Does that make sense? I mean, for example, the proposals to break up the CSIRO and sending those guys, who were wandering around in lab coats and were a bit dazzled by the sunlight and who are not in the CSIRO anymore, out to regional campuses. There is an issue with that in that we feel this is tied in a lot with the new federal research priorities, in the sense that it does not allow institutions to respond to the needs of their community and it is interfering with the autonomy of various institutions.

Mr HALL — Does NUS do any tracking of its graduates — that is, to employment?

Ms THOMPSON — Not so much. We work with organisations that do those kinds of things, but that is a fairly mammoth task for a small organisation like ours — in terms of our access to funds, anyway. No, we do not do a lot of tracking of graduates.

Ms ECKSTEIN — Can I follow up on the discussion about Gippsland. In your submission you have said that non-metro institutions are at risk and that there may be campus closures. Can you identify where you think they might be?

Ms THOMPSON — The viability of Gippsland is obviously under threat with the loss of its most popular course. So we are particularly worried about the Gippsland campus of the Monash University. And the peninsula has just lost its arts faculty. It is very much a nursing and teaching institution, so we figure that it is probably not that at risk in the immediate future because that would be politically unsaleable, I imagine. But there are a lot of institutions — I mean, nationally we are talking about a problem with losing some of our smaller campuses — at, say, UWS — but I would say that in the immediate term a lot of the institutions that were formally TAFE colleges are probably those that we would be most concerned about. I would start with Gippsland.

Ms ECKSTEIN — You have also talked about the impact on students accessing education at a regional level. Can you talk about that a little bit more? Can you quantify the impact?

Ms THOMPSON — Okay. Sorry, I also should have mentioned Victoria uni as well, in terms of a multi-campus institution, which — —

Ms ECKSTEIN — The VUT?

Ms THOMPSON — Yes, which has come out very strongly against the reforms and suggested it may have trouble keeping open some of its courses and campuses, and that kind of thing. In terms of quantifying the impact, for example, at Monash with the closure of the engineering faculty at Gippsland, those students are forced to move to the city. Then this brings in the question of a lack of adequate student living allowances and a lack of adequate scholarships.

We have some proposals for a couple of thousand scholarships, which, of course, without changes to the Social Security Act will be one government department giving to another, which is another problem we have. But in my understanding Monash University, Gippsland campus, is the largest employer in that region and it also provides the only local child-care facility. It is an institution that is central to the community, and I think you have to look very seriously at the viability of some of these communities if you take their main employer, which it is in a lot of cases, out of the community. So we are not just talking about the effect on students having to move to the city to access courses; we are talking about the effect on the entire community of removing the largest employer and a reason why students stay. If you want to force young people out of a community, ripping the educational institution out is a pretty good start.

Mr PERTON — Liz, we have received evidence from a number of universities that there are high drop-out rates in a number of courses, particularly in some of the teaching courses. The numbers are such that were you able to have students who really wanted to complete a degree in, for instance, education or nursing, they would be able to get places where some of those who commenced the course and dropped out had been enrolled. What is your view on that as a problem and better selection criteria for students entering education or nursing? For instance, today for medicine there are interviews which are an important component of entry. What do you think about these important faculties?

Ms THOMPSON — I think these kinds of things are perfectly reasonable to look at. I do not see any problem with interviews. But, I suppose, particularly in relation to education and nursing, you might want to look at rates of pay and the kinds of things that are going on in the sector at a more general level. Again the ANF can probably address some of these questions, but in terms of the level of job satisfaction and feeling, I think you can safely say that when a lot of teaching and education students go on their rounds they feel as if their work is not valued. You can look at questions of pay in the profession, and those kinds of things. I think it is a little more complicated than just people — and I suppose it also has something to do with the fact that teaching now has such a low TER for entrance into the course that a lot of applicants who are really driven to do that kind of thing might consider that their ambitions are a little higher.

My parents are both teachers and they told me that if I went into a teaching degree they would have me killed. In terms of seriously looking at the kinds of problems with education degrees and job satisfaction and so on, I would look more at those kinds of things than necessarily an interview process. I think the problems are a little broader.

Mr PERTON — I take the anecdote you just gave of your parents' attitude to you undertaking educational studies; that anecdotal evidence is widespread, and indeed many students who are enrolled in the education faculty are entering it as their second, third or even lower preference. As a representative of a student

body, can you say if the sort of prejudice you have just referred to is reflected onto campus life? Because many of the students who are dropping out are students who have not yet got to placement — they are first-year students or end-of-first-year students. How do you resolve that? And is it the prejudice of their fellow students that helps to diminish their morale?

Ms THOMPSON — Honestly I think that when people see a course with a really low TER, even if they think that might be something they want to go into — a lot of prestige or embarrassment can be attached to different points on the TER scale. I think that has a lot to do with it, and the fact that unfortunately universities are using these things more as marketing tools in terms of tertiary entrance rankings and those kinds of things. I do not think you can necessarily say they are an accurate reflection of how rigorous a course is. But I think that has a lot of effect on students' choice, in terms of the fact that education degrees seem to be so undervalued, despite the fact we are in desperate need of teachers. It is not something that we have addressed in our organisation — why it is that our education students are so dissatisfied, or why it is that education students tend to be people who have looked at other degrees first, or whatever else. You might address the question of TER and why education is ranked so low and seems to be given so little value by institutions themselves.

Mr PERTON — Obviously NUS represents the full gamut of students in various faculties. Having turned your mind to the prejudice you have just indicated, does NUS think it has a role in building the self-esteem of those people who are enrolled in education courses?

Ms THOMPSON — I think that is a fair enough comment, but again my assessment would be that a lot of it has to do with looking at the kinds of job prospects that are out there, the kind of crisis that a lot of people feel our state schools are in, and being under-funded and teachers being poorly paid. I think a lot of that has an effect on whether people feel they really want to go into a particular profession. We could do all the self-esteem building we like, but it does not account much for poor pay.

Mr PERTON — Minister Kosky, just a few weeks ago in attacking the Australian Education Union, said that the vast majority of teachers had a salary in excess of \$50 000 a year and that it compared favourably with other graduate salaries. Are you disagreeing with her statement on the state of salary and remuneration of both primary and secondary school teachers?

Ms THOMPSON — In a word, yes.

Mr PERTON — You talked about the poor state of state education. Do you want to elaborate on that?

Ms THOMPSON — I think we have a lot of excellent teachers doing a lot of excellent work. Again this is perhaps somewhat out of my purview, but if the committee would so indulge me.

The CHAIR — As it relates to the terms of reference.

Ms THOMPSON — Okay, as it relates to the — —

Mr PERTON — Speak as broadly as you want to.

Ms THOMPSON — Yes, I am not sure how it does relate to the terms of reference, but again I think it has a lot to do with rates of pay, and it is a pity the AEU is not making a submission to this inquiry. But I think the ANF could probably enlighten you on some of those problems.

The CHAIR — No, the AEU has made a submission.

Ms THOMPSON — In terms of speaking today.

Ms BUCKINGHAM — Until I became a member of Parliament last year I was a careers counsellor. I would like to put on the public record that ENTERs for teaching and nursing are in fact increasing and are far higher than for some of the science courses and technology courses.

Ms THOMPSON — That is true.

Ms BUCKINGHAM — For nursing they are in the high 70s and a lot of education ones are in the 80s. I think that needs to be stated at the outset. I thank you for your submission and for the statistics you gave at the beginning and the comparison with OECD countries, which I found very interesting. You said that a third of the estimated 26 000 people who did not get a position last year — the unmet demand — came from Victoria. I am

hoping the NUS has a position or opinion on why Victoria has such a large amount of this unmet demand and on whether that is perhaps reflective of the measures used by the AVCC to measure unmet demand, and on why Victoria is singled out with such a high unmet demand?

Ms THOMPSON — This is the precise problem that we are having. We have a serious issue with the AVCC figures and the way it has come to them. We certainly do not agree with its position about people just putting one or two preferences not being serious contenders. It makes those figures very difficult to analyse. Until we have been able to actually go over those figures ourselves, which we will certainly be doing, I would not feel comfortable commenting on that at this stage. But we certainly disagree with the AVCC figures and think they are a lot higher than what the AVCC figures reflect for the unmet demand.

Ms BUCKINGHAM — I would like to concur with you. As a careers counsellor I know that often people who want an arts degree put down only three arts courses at three major universities, and that is it. So I agree entirely with you.

The CHAIR — I will start by saying that you made some comments on summer students being counted twice as domestic students. I could not quite understand what you meant. Can you elaborate on that?

Ms THOMPSON — The DEST figures now calculate summer semester as a separate cohort of students. We have not done our own figures for who are continuing students or students who are simply trying to accelerate completing their degree, and those who are completely new students, but it is clear to us that a lot of those people are students who are attempting to accelerate their degree. They are essentially being counted twice, as a separate cohort of students from the other semesters, if that makes sense.

The CHAIR — Does that increase the number of domestic students, or does it increase the number of national students?

Ms THOMPSON — Yes, when in fact the numbers have fallen. If you used the calculations from the previous DEST triennium report you would see that the numbers have fallen, using their own methods of calculation.

The CHAIR — I see. The numbers appear to have gone up in terms of enrolments or HECS-funded places, I assume?

Ms THOMPSON — Yes.

The CHAIR — But in effect that is double counting?

Ms THOMPSON — Yes, and when you put them alongside figures for the increase in overseas students, they appear particularly galling. This is why we figured that the accounting mechanism has changed.

The CHAIR — There are a lot of questions I could ask with the notes I have and your submission, but I will be fairly brief, given the time. Victoria does have the highest unmet demand; it would appear that over recent years when there have been new places put in — regional places, and some extra postgraduate places et cetera — we have not got a fair share or much of a share of that. It seems to have been skewed in terms of going to some of the northern states. I guess it opens up the whole question of how HECS-funded places should be nationally allocated. Notwithstanding your viewpoint, which I share, that there has been a contraction of funding in higher education and that the quanta need to be raised, do you have any view, from a Victorian perspective, on the other methods of allocating places nationally, or about why Victoria is in such dire straits in terms of unmet demand — for example, does NUS have a policy of looking at unmet demand, of looking at year 12 retention rates, and of looking at the nature of a particular state's, say, industries et cetera in terms of allocating higher places? Do you have any comments on that?

Ms THOMPSON — Certainly we have a policy in regard to retention rates. My understanding is that that is actually part of the problem. In terms of retention rates and more and more students applying for university in Victoria, for all I have said about the state education system, there are some wins in that regard in that that is actually contributing to why we have such high unmet demand. It is because we have so many students; that is why it is disproportionate to other states. We do not yet have a policy on unmet demand; this is something that we are formulating at the moment. Particularly because of the change to marginal funding, that is something else that we have to take into account when we address the question of unmet demand and what our policy is on that. We are still formulating our position.

The CHAIR — From our perspective, while there is now debate happening or consultation around the transference of those marginally funded places into full-funding places, there is an issue of whether you need to look at the whole formula again, rather than the constant chipping around at the edges. Have you got a thought about that?

Ms THOMSON — I absolutely agree with that. In terms of punishing Victoria for doing well with retention rates, that is clearly an issue. I suppose that is part of the reason why when making submissions to these types of inquiries we do not say, ‘Yes, we think Victoria should get more because that might mean in the end that Queensland might get fewer’. We think there is a need to completely reassess the way places are allocated. Again before any of that is done we need to seriously address the question of funding because it comes down to a bunfight between institutions or between states over a decreasing pool of money. When you have that kind of system it is very difficult to apply a holistic approach because everyone is out for the little they can get.

Ms BUCKINGHAM — You spoke about articulation. I am just a little unclear. I did not hear everything you said, and whether you said the National Union of Students supports articulated pathways into higher education, or whether you had a concern with articulated pathways into higher education.

Ms THOMSON — We absolutely support that. We certainly do not agree with the minister that technical and further education students are somehow rorting the system by trying to articulate into an undergraduate degree and that those pathways should be made easier. I suppose I was referring more to the fact that the state government could play a very constructive role in ensuring that those things are occurring, and I was emphasising the very important role that TAFE plays. We definitely support the articulation of students in that way.

The CHAIR — Thank you very much. I know it is a very busy time at university. I guess all the examinations are just about finished, are they?

Ms THOMSON — Not soon enough. Also we are all of a sudden facing the problem of possibly losing the Victorian College of the Arts, and that is making things busy at this time of the year.

The CHAIR — Thank you very much for your attendance, and good luck. Copies of the Hansard transcript will be sent to you for you to look at to see whether there are any factual errors so that you can make the changes.

Witnesses withdrew.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into the impact of the high levels of unmet demand for places in higher education institutions on Victoria

Melbourne — 10 November 2003

Members

Ms H. E. Buckingham

Mr N. Kotsiras

Ms A. L. Eckstein

Ms J. R. Munt

Mr P. R. Hall

Mr V. J. Perton

Mr S. R. Herbert

Chair: Mr S. R. Herbert

Deputy Chair: Mr N. Kotsiras

Staff

Executive Officer: Ms K. Ellingford

Research officer: Dr G. Berman

Witnesses

Ms J. Brownrigg, Acting Secretary;

Ms J. Clutterbuck, Professional Officer; and

Ms M. Gleeson, Professional Officer, Australian Nursing Federation (Victorian Branch).

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — Welcome. The evidence you give today, including submissions, is subject to parliamentary privilege and is granted immunity from judicial review, pursuant to the Constitution Act and the Parliamentary Committees Act. For the benefit of committee members and the record could you please state your full name, position, and the organisation you represent.

Ms BROWNRIGG — My name is Jan Brownrigg, I am the acting state secretary of the Australian Nursing Federation, Victorian branch.

Ms CLUTTERBUCK — My name is Jill Clutterbuck, I am a professional officer with the Australian Nursing Federation, Victorian branch.

Ms GLEESON — I am Marcia Gleeson, I am also a professional officer with the Australian Nursing Federation, Victorian branch.

The CHAIR — Would you like to make a statement first highlighting your submission, and then we will open the committee up to questions?

Ms BROWNRIGG — Perhaps I will start. We have put in a submission, and I assume you all have a copy. It is not page numbered I am afraid, but in the submission we do make mention that we are awaiting figures from the Australian Health Work Force Advisory Committee, which has been working for the past 12 months on a profile of the nursing work force. We do say in our report that unfortunately those figures are yet to be released. We had hoped to have them for today's hearing, but they have still not been released. Firstly, I have a question. When those figures are released, and when we have access to data, we might wish to make some written comment on that. Would it still be possible to do that?

The CHAIR — As long as they are released before the report is written. We will have a look at that when they come out. Certainly additional written information would be good if we have time for it. We will have a look at how we are going.

Ms BROWNRIGG — Hopefully they will be released by that time, and if we have comments — which we believe we will — we will send them to you in writing. The other point is that this illustrates the problem we have in getting figures, and that is mentioned in our report. There is no national coordination of figures, and there have been recommendations made by the Heath report. This was also recommended by Professor Duckett some years ago, in the year 2000. He says — and we quote it in our report — that:

... there are no mechanisms at national level and few mechanisms at state level to ensure that these university decisions impact positively on future work force requirements.

That has certainly been a problem all along. We have known all of these things anecdotally, but have not been able to back them up with figures because of the lack of statistics. We are hoping some action will come out of the Heath report which recommended that some mechanism be put in place, both state and federally, to get an accurate reflection of what the nursing work force really is.

The other thing I want to say, following on from your last speaker, is that we believe, in nursing at least, the reason for the massive increase in unmet demand this year was because quite a lot of excellent work has been done since the year 2000 through various ways and means — for example, through the enterprise bargaining agreement that we negotiated in 2000, and through a major recruitment and retention campaign that was highly advertised by Department of Human Services. Because of the excellent work that was done by these various bodies the profile of nursing has been raised considerably in Victoria. I say Victoria because it is the only state where we have managed to achieve adequate workload decisions through our nurse–patient ratios. The Australian Nursing Federation strongly believes this has had a huge impact on bringing nurses back into the system; for a start to do refresher and retraining courses; and, as I said, to raise the profile of nursing in Victoria. We believe that because of the far more positive image that has been achieved for nursing in Victoria there is nothing more than an increase of people applying to do nursing as their first priority. You know the figures as well as I do: an awful lot of people got knocked back this year.

I will not continue, I will let my colleagues speak. I would just like to say that we hope the large amount of work that has been done to raise the profile of nursing in Victoria will not be wasted. We also believe if the unmet demand in Victoria had been translated into met demand, that would pretty well match the requirements of nursing in Victoria. I will finish there, and allow my colleagues to speak unless you have any questions.

The CHAIR — Perhaps we will have statements from the other witnesses, and then we will have questions.

Ms CLUTTERBUCK — One of the policy issues around the nursing work force in relation to education that has been fairly widespread through Organisation for Economic Cooperation and Development countries since the early 1990s has been a belief, in terms of policy that with changes to modern technology and medicine and the transfer of a lot of care back to the community and the home, that extra nurses were not required.

In Melbourne about two weeks ago we had an international conference on nursing regulation. Two of the speakers at that conference were the chief executive officer and chief person from the United Kingdom regulatory authority. They stated that in the United Kingdom in the early 1990s their government made the mistake of believing it would not need any more nurses: it actually cut nursing places in their education sector right through the 1990s. The UK is now wearing the consequences of that belief at great cost to its community, to its government and to the international scene because the United Kingdom is the greatest importer of nurses from Third World countries, and other OECD countries, including Australia. It is effectively making up its work force needs by importing nurses.

In Victoria and in Australia during the 1990s we did not cut nursing places so much as not increase them to meet the needs that were demonstrably there in our communities. I think we mentioned in our submission that the difficulty with nursing is that with the combination of clinical placements required the catch-up period is rather lengthy. You cannot just increase the number of nursing places overnight, because hospitals and other health organisations will not be able to give them the clinical experience that is needed. It is something that needs to be addressed on an ongoing basis. Hopefully we will now have appropriate statistical data demonstrating work force needs, so that we do not go any further backwards than we can possibly help.

Another myth at a policy level in relation to the nursing work force — and one that has been around for some years — is that you can substitute nurses with other, lesser-skilled workers. This approach has failed in America, and I have some research that I can leave for your information. It is research that demonstrates that the cost to the community in terms of mortality and recovery of ill people is exacerbated when you have different education levels amongst nurses, let alone non-nurses doing nursing work. I will leave that information for you.

Another point I want to make is the impact related to the cost of postgraduate qualifications in nursing having an effect in all of our specialty areas. That has been addressed in part through industrial mechanisms. Jan mentioned the enterprise bargaining agreement that we developed some three years ago. That brought back qualification payments for postgraduate nurses, and that gives them an incentive to go into specialty areas where a lot of our shortages are. However the cost of that education is at times quite prohibitive.

I have here a small document on the palliative care work force strategy which is just being developed by our Department of Human Services. There is a small mention at the back of this document that one of the issues is the cost of specialisation education for nurses, and ways that might be used to address it, for example through scholarships et cetera. I will leave that for your information. I think Marcia would now like to speak about our VET sector.

Ms GLEESON — I wanted to make the point that the unmet demand at university level is hard to quantify, but we think it will have an affect on the vocational education sector. As the person from the National Union of Students who spoke before us was saying, when we had low tertiary entrance ranks (TER) almost anybody could get into nursing. That has changed now, and students with very good TERs in the 60s and even low 70s are being rejected at university level, so they are opting for what they see as the next best career path which is to apply for the technical and further education TAFE Certificate IV Health (Nursing), which leads to a job as a second-level nurse. This means that a lot of prospective students at that level have been displaced. So not only is there a personal cost where people who were aspiring to be a second-level nurse are not able to fulfil that ambition, it also means that there could be some suggestion of cost shifting; that the state is picking up that year or two of nursing. Anecdotally it appears that many of those students, the bright ones, are keen to go on, and can achieve a fairly seamless transition from the certificate IV into the university sector.

Personally I have no problem with articulation; it is probably the best thing. But it can also be dangerous because, particularly at present when all sorts of funding options are being considered, and notions of co-payment and the like are being bandied around, it is a bit like saying that somebody's career path is another person's convenient backdoor. I would hate the flow-on effect to disadvantage people, and perhaps at the commonwealth level to also give an opportunity for the argument to be used that vocational courses need co-payment.

The CHAIR — Who would like to start off the questions?

Ms ECKSTEIN — I represent an outer-suburban seat, and the Eastern Health Service is always telling me how difficult it is to recruit nurses for some of the hospitals in its purview. Would you like to comment on the accessibility of courses for training nurses in those outer-suburban, particularly rural and regional, areas? Do we have enough courses; do we have enough places out in those areas where we need nurses even more?

Ms GLEESON — To be honest, I do not know the breakdown university by university, but I can confidently say that all the recruitment has been done. If you take rural universities such as Albury — and I hope this will help answer the question — lots of recruitment strategies have been put in place, such that there is unmet demand in those places where once there would have been whole gaps in courses. So yes, across the board while the hospitals themselves may be having trouble recruiting nurses, I do not know if universities are having trouble recruiting students of nursing. I think the hospitals are having trouble recruiting because there may be a deficit in the specialisation that they are looking for.

Ms ECKSTEIN — Rather than the overall number of nurses available — is that what you are saying?

Ms GLEESON — In the last three years some 4000 nurses have been recruited back into the system. As Jan said, if the unmet demand was met we could look at a medium to long-term strategy of keeping a constant flow of nurses going through the system. We are all getting old. We say it in our submission that something like 38 per cent of nurses are over the age of 48 years. By the year 2009 that 38 per cent will be retired or be looking to retire. We do not continue nursing at the bedside when we are in our 70s, or 60s, God forbid! It is really about getting something in place that allows a constant stream of students coming through so that the experienced older nurses will be replaced gradually by younger nurses.

Ms BROWNRIGG — I would add that, anecdotally, around regional and rural areas, and the eastern suburbs and so on — that is, the metropolitan fringe — the areas where there is a shortage of nurses are the specialised areas such as midwives. They do not have enough midwives, they do not have enough intensive care nurses. They also do not have enough theatre nurses, so they appear to be mainly in the specialist areas. In the areas where there are adequate nurse-patient ratios — general surgical wards, paediatric wards and so on, in other words where nurses have some control over the workloads of people they are caring for, there does not appear to be a shortage. It is mainly in those difficult areas.

The regional universities have the same problem that the city universities have and that is that it is not simply enough — and I do not mean to be telling you this; you all know it, I am sure — just to simply increase the number of places. The problem with nursing courses is the high clinical component of those courses. The people that we talk to say that that is simply not adequately funded, if funded at all. They have to find the funding for the clinical component of those courses; so unless there is funding to cover that component, unless there is a broadened infrastructure to cope with the increase in those numbers to meet the unmet demand, there is no point in increasing the numbers. The same applies to city, country and rural areas as well.

Mr HALL — I just have a couple of basic questions. Thank you for your submission. How many nurses are there in Victoria?

Ms GLEESON — There are 78 000 registered nurses.

Mr HALL — How many of those are members of the Australian Nursing Federation?

Ms BROWNRIGG — What we say officially is 40 000.

Mr HALL — Do you have an estimate of what you believe is the shortage that still exists in Victoria in terms of the nursing profession?

Ms BROWNRIGG — We are leading up to an enterprise bargaining agreement (EBA) process at the moment. Those figures are all being collated now on a ward-by-ward basis. We are finding, so far, that the general surgical wards are okay, the specialist areas are still short, and there are some areas that are saying to us that the nurse-patient ratios that we got in the 2000 EBA are not enough to attract us back, and the area I am specifically talking about there is aged care and public aged care beds. Their ratios did not change very much. When I say 'ratio', I mean the number of patients that each nurse has to care for in the aged care area. It was changed in the 2000 EBA, but nowhere near to the same extent as the general and surgical wards. So the nurses there are saying to us, 'We want you to look at those ratios again and do something about improving them.' We believe if that occurred we would see nurses coming back into public aged care as well. So the answer is that I cannot tell you exactly; we are currently doing it.

Mr HALL — Those figures would be helpful for the committee if they were completed. The committee would find that beneficial. The real deficits exist in the skilled, postgraduate areas?

Ms BROWNRIGG — Yes.

Mr HALL — Who funds those postgraduate studies that a nurse undertakes?

Ms BROWNRIGG — They are higher education, so I believe they are commonwealth.

Ms CLUTTERBUCK — They are all higher education contribution scheme (HECS) university places.

Mr HALL — You said clinical placements are a real difficulty. If the number of HECS-funded places for nurses were increased, do you have any idea of the capability of our hospitals to provide clinical placements?

Ms CLUTTERBUCK — I do not know exact figures, and we may be able to get them, although the deans of nursing have made a submission, and they would have a much better idea than we would because they liaise directly with the various tertiary hospitals that take their students. Our concern, I guess, is on a broader scale, that although hospitals may be able to accommodate some increase in numbers of students for clinical placements, the clinical placement is actually 40 per cent of their total course hours. That is required by the nurses board; so it is quite a deal of hours they must spend in the clinical area.

Victoria is well placed at the moment because we have been able to recruit 4500 nurses back into the system, but our concern is that if nothing is done to increase the number of places over the next years — and it should have started last year — and to do that gradually, if you try to do a big catch-up, say, in three or four years time when all of those 55-year olds that Ms Gleeson was talking about start retiring, you will not be able to do it. If you got a big increase in places all of a sudden, the hospitals would not be able to cope. You could do it gradually, and I am sure they could have taken more places last year and this year, but you will not be able to do a large quantum leap when we get to the critical year, which is around 2008 or 2009. That is when you will really get a decrease in nursing numbers because of retirement. We have to bridge that gap between now and then. We have to increase our intakes.

Ms BROWNRIGG — The problem is the need for clinical educators to supervise and teach those nurses. The hospitals cannot afford any additional funding for clinical educators, nor can the universities supply them. Unless they have adequate supervision on a constant basis, there is no point them being there.

Mr KOTSIRAS — You said there were 4500 new nurses. Can you tell me the number of nurses who have left the system over the last few years?

Ms GLEESON — That is a net increase. We can give you some figures indicating the net increase over the last few years. Unfortunately that is not to say it is full time. It is likely that a lot of those are part-time nurses, but it is the nature of our profession as well that many work part time.

Ms MUNT — Thank you for coming today. I am pleased to hear from you. I have a concern, however. Just looking back at the submission from La Trobe University, from the dean of nursing, and putting together what they said with what you are saying, I can see a problem arising. You say that between 2008 and 2009 there will be a loss to the system of a lot of experienced nurses. In their submission they say that they had 2763 applicants for 483 places. They will have a clear problem coping with the changes to overenrolments and the funding that goes with that. They also say:

In the case of La Trobe University the current overenrolment of some 10 to 11 per cent will need to be reduced to no more than 5 per cent, equating to some 500 to 600 places. In other words, some 500 to 600 fewer students than at present will be able to study at the university, with considerable impact at regional campuses where the extra places are needed most.

They say that the greatest effect of that will be, in the next two to three years, to reduce first-year enrolments until the second and third-year students graduate. That means that just as the senior nurses are leaving there will be a squeeze on the system for the newer nurses coming through to replace them, so both of those figures will be amplified. Do you have any thoughts on how that can be alleviated or ameliorated? It also seems to me that the major impact will be in the regional areas, where this is having a great effect and where they also say:

Employers prefer to engage employees who come from their local regions.

Has the nurses federation thought of all that?

Ms BROWNRIGG — I do not know the figures that you are talking about, but from what you read it sounds like they are saying that on their current funding this will happen. What we say is —

The CHAIR — Perhaps I can clarify that. I think they were referring to cutting marginally funded places if they do not get back a corresponding amount from the new places coming through. The commonwealth announced restrictions on overenrolments and marginally funded places, and they are transferring those places or some of them into additional fully funded HECS places; but they have not worked out the national distribution mechanism of those places, and the worry is that Victoria will not get replaced what it loses, and if that happens we will see the figures Ms Munt was just referring to.

Ms BROWNRIGG — Off the top of my head, I cannot think of a solution to that, but it is certainly something I would like to think about. They are disturbing figures, aren't they?

Ms GLEESON — To be honest, the answer is obvious. We will be in big trouble, it is as simple as that, unless there is a change in policy direction because it is clearly right. That will simply mean there will not be enough educated and skilled nurses to look after a population we are continually being told is ageing, and will have specific health needs of its own.

From an ANF position we, along with the Department of Human Services over the last three years, have put in the short-term strategy which is bringing back qualified and experienced nurses who left the system disenchanted for a whole lot of reasons. They have come back and now it is time to look at the medium and long term, which is ensuring we capture that unmet demand because we have once again made nursing an attractive profession; and it would be a shame if the opportunity were missed, but it probably will be.

Mr PERTON — We have heard evidence from some of the universities about the high drop-out rates of students in first-year courses, which includes nursing. I note that 58 per cent of first-preference applicants missed a place. Clearly a number of people have got into nursing courses off second, third, fourth or fifth preferences. If we were able to reduce the numbers dropping out clearly there would be less of a shortfall. Should we introduce an interview-type process or some other test for administration to university nursing courses as has happened in the courses for medical practitioners?

Ms GLEESON — I would have thought there was already some sort of screening process that occurs, whether it is an interview or questionnaire; I would have thought it was not just based on the TER score alone.

Mr PERTON — Is that the case?

Ms CLUTTERBUCK — I have first-hand knowledge of a couple of universities, and they do screen their applicants, and that is done by nurses.

Mr PERTON — Are you able to tell us which universities do that?

Ms CLUTTERBUCK — I know the Australian Catholic University does, but they do it by interview. To my mind that is fairly natural for nursing. All applicants for nursing have always been interviewed, and I am sure they have carried that policy into the university when we transferred from hospital training. I do not know how you would better that by having a mandatory screening process.

Mr PERTON — Would you have data on which universities do that screening?

Ms CLUTTERBUCK — I know one that does it.

Ms BROWNRIGG — Our student liaison officer will get you that information. The other thing is that more and more division 2 or enrolled second level nurses do their much shorter training in the VET system, and when they finish their training, decide they want to become division 1 nurses. They then apply for recognition of prior learning (RPL) or some evidence of prior training to reduce the time to do it to two years. The drop-out rate for those people — and more and more that is where nursing input is coming from — is nowhere near as high as straight from school to university. When division 2 nurses become division 1 nurses they are highly committed, they have had experience in the work force and there are a lot of them and they stay on. Many are in regional areas, and when you said before that regional people like to employ their own, it is too true, and I can understand that. So that is just another aspect that does not have a high drop-out rate, possibly because of their age, because they have had experience in the work force and an opportunity to see whether they like nursing or not by doing a shorter course, so I do not know how the information can be used, but it helps.

Ms GLEESON — I would hazard a guess that now that nursing is up there as a reasonably prestigious profession, the drop-out rate would be less than a number of years ago when you needed a TER of only 30 or 40 or so. Nursing, in terms of status and professional pride, has increased enormously. Only a few years ago the evidence was a joke. We would hear anecdotally of people wanting to get into graphic design who could not because their score was not high enough, so they went into nursing hoping to transfer. That is where your drop-outs often came from. I should compare figures of the drop-out rates over the last few years to see if there are any trends.

Mr PERTON — Would you mind doing that?

Ms GLEESON — No, I am happy to do that.

Mr PERTON — Interpreting the evidence you gave earlier, you say the shortage is in specialist fields in particular. If you had additional federal or state money to be applied in this area your first choice, would it not, would be to provide funding for postgraduate places and supervision of them rather than additional undergraduate places?

Ms BROWNRIGG — My short-term response would be yes. There probably are places, but it is the cost of postgraduate courses that impacts on people doing them. If you could overcome all of those things, then yes, there should be some short-term mechanism put in place to increase the number of people able to do postgraduate courses. Also, thinking medium to long term, I am very aware that unless something happens in the next few years, some thought about undergraduate places, we could end up in a dire situation by 2010. So my priority would be postgraduate, but at the same time I do believe we should be looking at the undergraduate area as well.

Mr PERTON — The age distribution you talked about earlier: is that not characteristic of every profession now? Ms Buckingham and I attended a conference on the teaching situation: it is identical. You talk to the legal profession, and it is the same. It is part of living in an ageing society, isn't it?

Ms GLEESON — I totally agree, and I always like to remind everybody that the average age of a fitter and turner is 52, so we are no different. But that is not to say that we can just shrug our shoulders and say, 'What can we do?'. As we said, we do tend to burn out. Nursing is a very physically demanding profession. There have been changes, and the changes hopefully will be shown over time, but many people had to retire in their 40s because of bad backs and the like. Hopefully we have addressed a whole lot of that with changes to our actual hands-on practice. I think in a few years time it will probably be as hard to get a nurse as a plumber or anybody else, but that is not to say that effort should not be put in.

Mr PERTON — Professor Kwong Lee Dow, in his evidence, referred to TER scores and said the current TER scores are pretty much an indication of whether someone would cope. The evidence, as I summarise his view of it, is that were we to fund more undergraduate places the people with those lower TER scores who would get into the courses are unlikely to succeed. My feeling from your evidence is that you would prefer us to go after higher TER scores, to attract them to nursing. Is that right?

Ms GLEESON — Nursing is a demanding profession, and there is no point in dumbing it down just so you can fill advanced lecture theatre seats.

Mr PERTON — Were we to fund the unmet demand in nursing — we are talking about people at the bottom end of TER scores —

Ms GLEESON — No.

Ms BROWNRIGG — No.

Ms CLUTTERBUCK — No, not at all.

Mr PERTON — Can I have my question without interruption? If we funded undergraduate places for nursing, they would be lower TER scores.

Ms CLUTTERBUCK — I find it hard to believe. I mean, you have all these figures before you of the numbers of people who were first-preference nursing students, and I am sure in those figures that the universities have they would have an idea of what their academic abilities are. I think one of the figures that has been quoted to us was 2000-odd applicants for 400-odd places. I cannot believe that the extra 1600 applicants are all at the bottom end of the scale.

Mr PERTON — Not at the bottom end, but they would all have a lower TER score.

Ms CLUTTERBUCK — I do not believe that — —

Mr PERTON — But it follows by logic, does it not?

Ms GLEESON — No, I think you need a bit more evidence.

Mr PERTON — If the TER score entry is 70, and we fund another 100 places — —

Ms BUCKINGHAM — You go down to 68.

Mr PERTON — There will be people with 69, 68, 67. That follows by way of logic, doesn't it? Now, you do not want more people with a lower TER score; you want to attract people with a higher TER score, don't you?

Ms CLUTTERBUCK — If we go back four or five years ago, we were having people coming into the profession with lower TER scores, and that was when had the higher drop-out rates.

Ms GLEESON — Because they could not cope.

Mr PERTON — Thank you.

The CHAIR — I have a couple of questions, if you wouldn't mind.

Ms GLEESON — We are not saying drop it to 30; drop it to 69 or 68.

The CHAIR — Can I ask a couple of questions? Sorry, we are about to go, and that question that was asked was addressed at the hearing with the deans of nursing — I do not think you were here. Carrying on with what you were saying, they made the point that — —

Mr PERTON — Are you putting evidence into the mouths of witnesses?

The CHAIR — No, I am certainly not.

Mr PERTON — Why did you ask the question, then?

The CHAIR — They made the point that their analysis showed that those on a TER score of about 50 or 53 produced the best nurses.

That was in fact my first question. Have you had any similar analysis?

Ms GLEESON — No.

Ms BROWNRIGG — No, we have not.

The CHAIR — No? Okay, thank you. Just on a couple of points: firstly, on the announcement of additional federally funded places for nursing, do we know how many of those federally funded places are coming to Victoria at this point and how they will impact upon demand?

Ms CLUTTERBUCK — I think there are 20.

The CHAIR — There are 210 nationally, up to 574; I am just trying to work out whether they have allocated them to Victoria yet.

Ms BROWNRIGG — We have got additional numbers for the regional areas somewhere around here.

Ms GLEESON — Deakin got 15, and the University of Ballarat got 20, so 35 in total.

The CHAIR — Thirty-five? That is for next year?

Ms GLEESON — Yes, that is of the 210.

The CHAIR — One final question, because we are running out of time: there is the issue of clinical and there is the issue of marginally funded, and it seems to me from what we have heard from you today, from the

deans of nursing and from La Trobe University in particular, that the issue of meeting demand is a bit like turning the *Queen Mary* — if you turn the lever, it takes 3 kilometres before the ship starts to turn. In nursing that appears to be the case because of the clinical requirement in terms of the study component. In that case, also, it is a question about the relationship between the state and federal government. If the federal government decides to fund additional HECS-funded places, the state has to be able to get those additional clinical places, probably in universities in particular, and we are talking division 1 nursing.

Having said that, if there were in the profiling process whereby the commonwealth comes down and allocates the places at universities — we know there is a shortage — if the commonwealth were to decide to shift some more places or allocate more funding, into nursing, does the state government have the capacity in the short term to ramp up the clinical? For example, if there were an extra 100 places allocated next year could a conscious policy effort from the state government, say working with the universities, meet those extra places?

Ms BROWNRIGG — I believe they certainly have the capacity, but of course it would mean the allocation of significant amounts of funding in terms of scholarships or whatever. Yes, they have the capacity —

Ms GLEESON — They have the will.

Ms BROWNRIGG — They have the goodwill; if they had the finances it could be done.

The CHAIR — So if there were additional places there to meet the demand you could probably ramp it up relatively quickly. Ms Buckingham has not had a question. There is one question left, and then we are out of time.

Ms BUCKINGHAM — I would like to put on record that the ENTER is not indicative of a person's ability to do a course; an ENTER is a statistic that is used that actually indicates supply and demand for that course, it does not indicate the person's ability to do that course. There is enough educational statistical analysis to know that anyone who receives an ENTER above 50 — and I believe the deans said 53 — has an ability to cope with university education across the board. The point I would like to make is that if you drop from 70 down to 69, you are talking about 1000 students — at every .1 decimal point you are talking about 100, therefore —

The CHAIR — If you could move to the question.

Ms BUCKINGHAM — I want to know: do you believe there is a correlation between ENTERs and a person's ability to handle a nursing course? Have you got any direct evidence that a person on a higher ENTER is going to make a better nurse?

Ms GLEESON — No.

Ms BROWNRIGG — No, I do not — do you?

Ms CLUTTERBUCK — I think that is the point that Jan made about the division 2 nurses who go on to university courses.

The CHAIR — Thank you very much for the calibre and frankness of your submission, I must say — it was a fairly frank submission — and for your presentation here today. I think it has been very useful for us. When those figures are out, if we do have time, we may ask you back next year. However, on top of that, we do have a number of questions which our researcher has prepared for us and we did not have time to get to today. I wonder if you would mind if we sent those to you if you could perhaps give us a response?

Ms BROWNRIGG — Certainly. I would not mind at all.

Witnesses withdrew.

CORRECTED VERSION

EDUCATION AND TRAINING COMMITTEE

Inquiry into the impact of the high levels of unmet demand for places in higher education institutions on Victoria

Melbourne — 10 November 2003

Members

Ms H. E. Buckingham

Mr N. Kotsiras

Ms A. L. Eckstein

Ms J. R. Munt

Mr P. R. Hall

Mr V. J. Perton

Mr S. R. Herbert

Chair: Mr S. R. Herbert

Deputy Chair: Mr N. Kotsiras

Staff

Executive Officer: Ms K. Ellingford

Research officer: Dr G. Berman

Witnesses

Professor E. Harman, Vice-Chancellor and President;

Professor B. Stoddart, Acting Deputy Vice-Chancellor;

Professor R. Eade, Director, Quality and Strategic Support Branch; and

Ms T. Szakiel, Project Officer, Quality and Strategic Support Branch, Victoria University.

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — I reconvene this hearing of the Education and Training Committee and welcome VUT to the table. Just before I start, I would like to advise you that all evidence taken by the committee, including submissions, is subject to parliamentary privilege and is granted immunity from judicial review pursuant to the Constitution Act and the Parliamentary Committees Act.

Welcome. I wonder if you would mind stating your names, positions and organisation for the record.

Prof. HARMAN — My name is Professor Elizabeth Harman, Vice-Chancellor of Victoria University. I have with me Professor Rodger Eade, who is director of the QSSB — the quality and strategic support branch. And Teresa, your surname?

Ms SZAKIEL — Szakiel.

Prof. HARMAN — Teresa Szakiel, from the same branch. Teresa will accept my apology for not knowing her surname; after 30 days in the job, I have not got everybody yet. And Professor Brian Stoddart, who is the acting deputy vice-chancellor — his substantive position is as pro vice-chancellor, international.

The CHAIR — Welcome and congratulations on your new position. Thank you for the submission you have put to this committee. Would you like to start off with a statement either following your submission or talking to your terms of reference.

Prof. HARMAN — Right. I am not sure that you in fact do have a statement. We have brought copies of one today.

The CHAIR — We have a letter and we have your Senate submission.

Prof. HARMAN — You have a copy of the Senate submission?

The CHAIR — We have a letter from Carol Morse.

Prof. HARMAN — Excellent, thank you. In that case I think we should distribute copies of the statement that I will speak to for the next few minutes, which will provide a basis for the committee's questions.

The CHAIR — Just while they are being distributed, I did hear the submission to the Senate inquiry; I was there in the gallery.

Prof. HARMAN — Great; we have not repeated the same things.

The CHAIR — Excellent.

Prof. HARMAN — I will simply pull out some of the highlights of the statement that we have just distributed. Committee members would be aware that the act establishing Victoria University placed it both physically and philosophically within the western metropolitan region of Melbourne, which is a very fast-growing and culturally diverse community.

Our particular act states that we will provide technical and vocational services to the community and in particular the fostering of participation in post-secondary education for persons living in the region. We do not want to suggest to you that we see our mission as being only of the west; we see it as particularly of the west. In revising the strategic plan for the next five years we are looking at the manner in which our local mission will link to our global activities as well. We are very much of the west, but like every university also have a national and an international context in which to operate. Nonetheless this submission is unapologetically about our commitments to the west. We have not gone beyond that in talking here for obvious reasons in terms of the relationship to the terms of the reference you are addressing on unmet demand.

The university is a dual-sector organisation — one of the three larger of the four in Victoria — with over 50 000 students. We have given you a table with the breakdown of numbers between TAFE and higher education onshore and offshore in the first page of the submission.

The students come to what are designated as 11 campuses, but there are a number of additional sites because some of the sites are grouped under a single campus. I have found it easier to think in my mind, if you are not familiar with Victoria University, of our campuses. In the city, we have some on Queen Street, some on King Street, some in South Melbourne and likewise at Flinders Street. We have a number in the inner western suburbs — Footscray,

Footscray Park and Footscray Nicholson — and a number in the outer west areas, and you can think of Werribee, Sunbury, St Albans and Melton. We are a very diverse set of campuses spread across the west.

The commitment to participation in the western region has been reflected — and you will see this below table 1 — in a number of innovative programs that the university has established. The ones I particularly refer you to are the personalised access and study — PAS — scheme and the portfolio partnership program with, I think, now over 60 or 70 schools engaged with it.

I am pointing this out to you because these aspects of our activities are very relevant to the manner in which we are addressing demand and participation in the western region. I have made some comments on the second page of the submission recognising that the university dates back close to 90 years now in terms of FIT but has been a university since 1991. We have undergone incredibly rapid change in that last decade and are on the point of reviewing the directions we are taking, and I would be happy to answer any questions on that during the question period.

Coming specifically to the terms of reference of the committee, we are treating the definition of ‘unmet demand’ from two perspectives. We see unmet demand in the traditional definition, firstly, as the more easily measured number of applicants who do not receive offers into courses for which they have made application. As you will see later in the submission we are not able to meet the demand we have. Secondly, we are also arguing, and of particular relevance in the western region, is that a large, effectively latent demand is much less easily measured where people do not make formal applications for places for a variety of reasons.

In our region, given that we have quite a lot of evidence, some of which we have documented for you, that there is a large group of people in this category and combining that with the fact that the western region has only 85 per cent of the participation rate of the rest of Melbourne, we believe our latent demand is particularly large.

I want to make a couple of comments on the region itself. It is an issue of real significance to the university that the area has gone, as you would know, through an economic renaissance. That is showing itself both in the growth in the number of new industries, the greater export focus of manufacturing and the location of transport and distribution around the hub of the port and the airport; and it is leading to or is associated with a steadily decreasing unemployment rate, or a rise in employment rates, and likewise a rise in registered businesses since 1998. Both of those factors are presumably contributing to the skills shortage, which we are identifying in a number of areas. That skills shortage we are trying to unpack.

To put it another way, there are a number of groups like WREDO — the Western Melbourne Regional Economic Development Organisation — OTTE — the Office of Training and Tertiary Education — that are involved in trying to track down what the skills shortages are. We are looking at them and picking up their results for both TAFE and higher education.

I personally, with a very short history in looking at these things, am not confident yet that across government but more particularly within the university we have a good handle on what the current skill shortages are for both TAFE and higher education, in which areas they are and how well our profile aligns with them. For that reason, at the end of this submission, you will find that we are committing new resources to try to be very clear about how well we are meeting local needs, which are changing in response to the current renaissance in the economic life of the western region.

I turn to the Victorian Tertiary Admissions Centre evidence. The demand for full-time places in post-secondary education has risen over the last four years. We have taken the figures relating to preferences 1, 2 and 3 since 60 per cent of offers are made to these preferences and they are seen as a stronger indicator of intent.

In table 3 you will see that in terms of the growth in those preferences overall, over the three-year period of 2000 to 2003, while higher education demand has gone up by 11 per cent, Victoria University higher education has gone up 28 per cent — in other words, it has more than doubled. In the case of our TAFE sector, all TAFE applicants across Victoria have gone up 23 per cent; for our university they have gone up 45 percent — again, basically doubled. The university’s experience is that we are facing the problems others are with the rise in unmet demand. I think I will leave some of the detail of that, if you want to pick it up in questions.

I turn to teaching and nursing. The contrast between available places and application numbers that I have just referred to at a more general level is even starker when these two areas of interest are considered. We believe the figures we have quoted there are again preferences 1 to 3. For applications for teaching and nursing degree places at

Victoria University — and I am going to make a separate point about the TAFE places in a moment — the rise has been by 68 per cent and 102 per cent respectively.

The CHAIR — Is that for teaching and nursing students?

Prof. HARMAN — Yes. Our ability to service that demand in the case of those two disciplines is quite severely restricted by separate constraints that I am sure you are now pretty familiar with. In the case of teaching, the issue and cost of teaching placements is real. We see some potential for some relief on that if the Nelson package goes through and with it the associated cluster pricing for education students. But in the case of nursing the limit is on the number of clinical placements that are available and our ability to find placements for nursing students. We see these as a couple of areas of unmet demand.

Finally I turn to the impact on the west of this unmet demand and the interaction between the TAFE and higher education areas. We are the only major post-secondary education provider for the region. In the case of TAFE, some 91 per cent of TAFE student contact hours delivered in the west come from our university. As I have mentioned, our participation rates across the board in the region in higher education are 85 per cent of the rest of the city and therefore there is a latent demand there that is not being picked up in the standard statistics.

We have attempted to unpack for you, some of the reasons for the interaction between TAFE and higher education applications that is occurring in western Melbourne, but in making these comments I think we should all be a little cautious about interpreting too much into the data at this point. We are not entirely sure how the interaction works both with economic demand and with the social characteristics of the population.

Nonetheless having put that caveat on it, it is important for you to be aware that first of all while 58 per cent of people across Victoria who have made application through VTAC for admission to higher education courses in 2003 were made an offer, a smaller percentage is true in the western region. Only 51 per cent of applicants actually get an offer. The same sort of pattern, although a little less exaggerated, occurs in the TAFE sector. If you are a TAFE applicant you have a 77 per cent chance of being made an offer, but in the western region that is only 75 per cent.

We also know that in the western region the highest proportion of applicants prefer to seek entry through TAFE courses. We are not quite sure whether this is because of their lower experience — the fact that many of them are first time in the family to higher education — or that the areas of lower socioeconomic status are concentrated in the west; the university is most highly rated in Australia, as you would be aware, in terms of drawing its students from low-income areas, and we have a very high non-English-speaking background population.

We believe all those mixes of reasons may contribute to the fact that students in our area prefer to come in through TAFE before they make application to the university — I do not mean chronologically; I mean in preference to university — and that is part of the reason we have put quite a lot of emphasis on things like the personalised access program, articulation arrangements, cross credit and the like.

I want to put a small comment before summing up on the TAFE nursing places; I should have made the point earlier about nursing. There is a somewhat different situation in TAFE nursing from the higher education elements. We take in our nursing applications in TAFE, particularly for the division 2 program, on a direct basis. We have a lot of evidence that there is a very substantial unmet demand in that area, which we cannot pick up in part because they come not through VTAC but through individual or direct application, and we have resource constraints satisfying that demand.

You have a summary there in terms of unmet demand across both TAFE and potentially also higher education in areas such as multimedia and design, sport and recreation, building trades, and transport distribution and management, and you can hear some of those changes in the local economy reflected in that distribution. Also most significantly reports of unmet demand in all health-related areas, including nursing, children's services, disability services, youth work, social and community services and related courses. We are hearing from industry about shortages in skilled areas of engineering and manufacturing and related paraprofessionals and administrative and managerial staff.

I have made a last comment in the report that we are committing resources to try to unpack some of these trends and tendencies to get a much more finely grained analysis of where the shortages actually are, whether they are in TAFE and higher education and how our courses align with them.

I hope that summary gives you some sense of the picture as we have got it at this stage.

The CHAIR — Thank you very much for your submission. I open the hearing to questions.

Mr KOTSIRAS — In your submission you said that in 2003 some 1400 applicants for TAFE places in the western metropolitan region of Melbourne were not offered a place. Do you have the percentage of those students who applied for higher education, missed out and then applied for TAFE?

Prof. HARMAN — Neither of my colleagues has that information right at their fingertips. Could we take that on notice and get back to you?

Mr KOTSIRAS — You sure can. Further on in your submission you stated that industry is short on nurses; you could train them but you do not have the resources. What can the state government do to alleviate this problem?

Prof. HARMAN — The things that would be very helpful to us lie in two areas. One is that if the commonwealth comes good with the new growth places that are being anticipated in the commonwealth sector, we would like to see a strong argument that Victoria not only gets a good slab of those growth places, but Victoria University within this state gets a good share of those growth places. Likewise we would like to talk to the state government about the manner in which TAFE-funded places could be increased to assist us with the places.

In terms of the capital funding side of it and provision of actual infrastructure, have you got any comments on that, Rodger, at this stage?

Prof. EADE — No, I do not.

Prof. HARMAN — Again, if you will forgive me, I would not mind going back and talking to Carol Morse, the Dean, about what particularly are the constraints that we could see the state government providing us with assistance on. Then I will give you a more informed comment.

Ms ECKSTEIN — You have outlined the unmet demand very well, I thought, in your presentation. If there was extra funding forthcoming, how many extra students would you have the capacity to take? Obviously there are infrastructure issues and other constraints, but how many students could you take? How much of that unmet demand could you fill if you had the money to do it?

Prof. HARMAN — It is difficult in part because it depends on whether you are talking TAFE or higher education.

Ms ECKSTEIN — Higher education.

Prof. HARMAN — If we are talking higher education places, we have been winding back our marginal overload. It depends on how they are going to be funded and in which part of the profile they will go — in other words, whether they are engineering students, law students, nursing students, education students. Again this is an analysis we are right at the point of commissioning.

David Phillips is one of the consultants in the national system at the moment; he has become something of a guru, if I can put it that way, in terms of doing the statistical analysis of university load figures. David is coming to do an analysis of our current load and its alignment with local demand. If you ask me in three months I will probably be able to give you a sharp figure, but right now I am not quite in that position unless, again, Rodger or Teresa want to talk about where the shortfalls in demand were greatest, that we might be able to comment on.

Prof. EADE — It would depend also on over what time frame the extra funding came because we have some capacity, particularly at our outer campuses at the moment. But the inner campuses face constraints, so that is another issue that we would need to address. As the vice-chancellor has indicated we will be in a better position in three to six months to answer that question. We do not want to be adding capacity in areas where there is no demonstrated future need.

Prof. HARMAN — I thank Rodger for that comment. Part of my reason for laying out the 11 campus-13 site element is because we have a mismatch, with some campuses entirely constrained in their infrastructure and others looking for more students.

Ms ECKSTEIN — Perhaps looking at that a little, we have heard from some other institutions that overenrolment is of considerable concern for them, and so much so that some campuses or courses may be under some risk. Would you like to comment on that in relation to your courses and campuses?

Prof. HARMAN — I would like to put it in a slightly different way, which is the way that I am putting it to the university at the moment. We need to look at where the demand is — from 18-year-olds and mature-age students wanting to return, or from industry needs — and then make sure that our capacity to serve those areas is best suited. We are not going to be closing campuses for the sake of it. We are looking at a match of our infrastructure with areas of demand. It is part of the same question of alignment.

Ms ECKSTEIN — Do you have a significant overenrolment issue?

Prof. HARMAN — We have wound our overenrolment back from about 8 per cent to 5 per cent?

Prof. EADE — It was about 8 per cent this year.

The CHAIR — I might interrupt for one moment. I want to ask committee members if we can each ask one or two questions. We have a time constraint today because we have a stakeholder function, which I hope you will be joining us at. There will be plenty of time to ask questions, but there is a time constraint. I ask members to ask a couple of questions, and if we have time we will come back.

Prof. HARMAN — We have kept it to 8 per cent, Ms Eckstein.

Mr HALL — Thank you, Liz, for your presentation, which is very good. And congratulations to Victoria University on what it has done in its very short history. I was around in 1991 when legislation was enacted. You have done a marvellous amount of good work in that short space of time. I do not think one should ever apologise for being parochial about the areas that you represent. I certainly do not.

Prof. HARMAN — I do not think we are apologetic!

Mr HALL — Are you able to have any local priority selection policies in respect to students at both higher education and TAFE?

Prof. HARMAN — Would you comment on that one, Rodger?

Prof. EADE — The portfolio partnership program, which was introduced for the first time in 2002, is very specifically a local priority program where students who attend schools in the region are permitted to make application to the university through the VTAC system, but broadening out the range of selection criteria and basing it around a portfolio of material which they submit together with a school recommendation.

So in taking those students, or making offers to such students, we are taking more than their ENTER score into account in selecting those. As the vice-chancellor indicated earlier, that is specifically geared to between 60 and 70 schools in the region. It is very much a local selection policy, and it applies for both TAFE and higher education.

Mr HALL — That is encouraging. I represent the Gippsland region. We had some trouble in trying to give priority placements to local selections because of the agreements on funding at a federal level.

I have another quick question. You speak here about the cost of placing students in schools with a practical experience of teacher training. What are some of those costs incurred by the university in placing students in their practical experience?

Prof. HARMAN — I know them at other institutions, but I do not have the details for VU, but I presume it is payments to the teachers who are supervising at the school.

Mr HALL — The university has to make those?

Prof. HARMAN — Usually, yes.

Mr HALL — Is that the main cost factor?

Prof. EADE — The costs of our own staff.

Prof. HARMAN — The costs of our own staff would be in that as well, but the main one I would have thought would have been the additional cost — —

Mr HALL — Those costs are not covered in the HECS-funded placement?

Prof. HARMAN — The argument that is now being made by the commonwealth is that part of the reason it is now putting it at the higher level funding rate in the new cluster arrangements in the Nelson reforms for teaching and nursing is to start covering some of the costs of placements. That is where they are arguing they are going to be trying to contribute.

Ms MUNT — Thank you for your presentation. It is very interesting, makes very interesting reading and is very well done. My question relates to participation. You say in here that 51 per cent of applicants from the western metropolitan region of Melbourne enjoyed the offer of a course whereas it is 58 per cent across Victoria. You also say that you are looking at trying to match the participation with the courses that are offered, and in particular to look at course profiles to bring them into closer alignment with existing and expected future demographic, socioeconomic and labour market trends.

In a previous submission from RMIT, they said that 90 per cent of their students are under financial stress and that 75 per cent of those students work. Participation is about the course, but it is also about the effort of participation, if you know what I mean. I worry about the student body, particularly in the lower socioeconomic areas, and their ability to afford to go to university or TAFE and to study. Do you anticipate looking at that particular aspect of participation as well as the actual course?

Prof. HARMAN — It is an absolutely critical one, and it is one of the issues that we brought out in talking to the commonwealth as well. Since we are the university that sits on top of the list of universities that draw the majority of their students from low socioeconomic areas, and 26 per cent of students come from the lowest socioeconomic area, yes, it is an issue for us, no. 1.

No. 2, we are weakly funded ourselves in terms of the overall commonwealth funding on the higher education side. We are among the three or four universities that are at the bottom end. Therefore our students are facing a situation where they may not be able to pay. If, as happens with a large number of them, they are coming for the first time from their family into university, there is the whole tradition of how to save and take out loans. They are a risk-averse population in the sense of loans, so —

Ms MUNT — I know, I was one!

Prof. HARMAN — We are anticipating real issues here. At the moment the commonwealth is offering what are not being called equity scholarships any longer, but suggesting to universities that we offer fee-exempt places to get around the Social Security Act. The fee-exempt places can only be offered if you can afford to carry fee-exempt students. The interaction of a student who is not necessarily able to access resources and a university with a less-advantaged dollar, in our case compared to other universities, puts us in a bit of double jeopardy. Yes, it is an issue for us, and we will be looking at it.

Ms MUNT — I will follow up on that with more of a statement than a question. If there are any increases in HECS fees, that would make it harder still.

Prof. HARMAN — We are aware, and we are having to balance off the question of the ability to pay. That is partly why we are bringing David Phillips in: we are asking him to look at labour market trends and forecasts, the alignment of our profile, and the potential fee structures and HECS premiums that would make sense for us and for our population, and it is not going to be an easy calculus.

The CHAIR — We will have an opportunity to have a chat at the stakeholder function. I am sure the committee will welcome going out to Victoria University and having a look at your general issues outside of this committee.

Prof. HARMAN — We would welcome the visits.

Ms BUCKINGHAM — Congratulations on your appointment. The figures you have given us today say there has been a 28 per cent increase in demand for higher education at Victoria University, whereas overall in the state it is 11 per cent; and a 45 per cent increase in demand for TAFE, whereas overall in the state it is 23 per cent. Can you explain to me why there has been such an increase at VUT, what you are doing about it, and whether the Nelson recommendations will impact on this?

Prof. HARMAN — The last one is the easiest. Yes, they will impact and they will impact quite significantly, which is why we are arguing with the minister and the department at the moment — I must admit with some positive signals so far — that they should make amendments to the Nelson legislation to take us out of a

situation where they are talking about taking a couple of million dollars off us every year while the rest of the Victorian universities have \$160 million to spend in the first three years, and we will be down on our basic recurrent dollar. Nelson will have a significant impact on us. Why are we getting the growth? Part of it is the renaissance of both the region economically and the growth in population. Again I might ask the analysts if they want to comment further on that.

Prof. EADE — About four or five years ago the university was concerned about the relatively low level of demand and where it sat within the hierarchy of Victorian universities. There was a conscious decision taken at that time to try and reposition the university and to increase its demand. The portfolio partnership program is but one of a number of initiatives that have been taken to reposition the university. The VTAC preferences for 2004 that have just been released show that our total share of total applications in Victoria has increased from a little over 8 per cent — and I do not have the exact figures in front of me at the moment — to a little over 10 per cent in the last four years. There has been a conscious effort to reposition the university, to promote the university and its courses, and to introduce programs that attract students to the university. That has been successful, as is demonstrated in these figures.

Mr PERTON — You indicated earlier that there is a lower participation rate in the western suburbs. In your analysis of that participation rate, have you analysed the impact of underperforming or low-performing secondary schools as published in Professor Teese's book *Undemocratic Schooling: Equity and Quality in Mass Secondary Education in Australia*, and repeated in today's 'Education Age'?

Prof. HARMAN — No, we have not apparently.

Mr PERTON — Is there any analysis at the university of that? Do you have a document that you could make available.

Prof. EADE — We do not have any specific analysis. We are familiar with Professor Teese's work, but we have not specifically tried to align his analysis with where our demand is coming from.

Mr PERTON — In your submission under the heading 'Teaching and nursing', in the case of nursing you have talked about a limit on the number of clinical placements, and you are working with the state Department of Human Services. What does that work entail and at what stage are those negotiations.

Prof. EADE — I will answer that. The Department of Human Services is obviously concerned about the shortage of nursing places in Victoria. The department set up a high-level committee in November last year with the secretary of the department and senior representatives from each of the universities to look at initiatives that might be undertaken to increase the number of nursing places. The shortage of clinical placements was the single most important factor identified at the first meeting of that particular group.

Mr PERTON — Has that developed? Presumably that was last year. What has happened since then?

Prof. EADE — I cannot answer that question. I represented the university at the first of those meetings, but the dean of human development, Professor Morse, has represented the university at subsequent meetings. I just do not have that information at my fingertips.

Prof. HARMAN — We could take it on notice and bring you back an answer.

Mr PERTON — Could you?

Prof. HARMAN — Yes.

Mr PERTON — Just in relation to the question that Mr Hall asked in relation to placements of students in schools, you indicated to him that the main cost was salary of the supervising teacher. What sort of level of additional money would you require, and could that be made available by the state government?

Prof. HARMAN — Again can we come back to you after we have talked to Professor Morse — she has both nursing and education — about the specific issue of what assistance the state could provide in both areas. We will give you a more substantive comment.

Mr PERTON — Perhaps we could integrate.

Prof. HARMAN — We will integrate them.

The CHAIR — Absolutely. If we have time we will do that.

I have two quick questions. Given that the west is going through a renaissance and attracting more industries and there is a higher demand for higher skills, one of the issues is the unmet demand from adults vis-a-vis those who are coming through as school leavers. That is pretty clear; we know they are school leavers. With those students seeking to get a degree who are already in the work force and have already done TAFE, how does that level of unmet demand compare in the west to inner school leavers as an issue?

Prof. EADE — I cannot point to specific data on that at the moment.

Prof. HARMAN — It is a fascinating one, Chair. One of the things that struck me very strongly in looking at the pattern of our own admissions is that in some faculties we are taking only half of the students from the VTAC entry. The other half — and it is a larger half in, say, business — are coming through other areas and through other pathways. That suggests to me that within that alternate pathway, some of them will be school based, but many will not; they will be mature-age and the like.

If you take something like the business faculty, it will have a very large number of people who are returning to upgrade their qualifications in one form or another. We probably have a particularly complex set of 'in, out and roundabout', as somebody put it to me today, in terms of both the TAFE and the higher education elements. There is evidence in our statistics that it is a complex mix. Again this is one of the things I will be particularly interested in digging down and having a look at the patterns, because at the moment we cannot make assumptions we used to be able to make about school leaver demand, the cause of the complexities of the mix of the current demand.

The CHAIR — The issue of demand is not just a complex of numbers, it is where those numbers come from — —

Prof. HARMAN — Exactly.

The CHAIR — Finally and briefly, I wonder if you would like the opportunity to comment on the national distribution model in terms of how Victoria and Victorian universities share the pie? That is part of our terms of reference. Currently it goes on population share basically, but there are other methods of distribution, whether they take into account the nature of society, technology and so on? Do you have a viewpoint on the national distribution methods of HECS places?

Prof. HARMAN — I read the submission that I think the Office of Training and Tertiary Education must have prepared to go into the deliberations at MCEETYA. I thought it was a particularly balanced and good submission in the sense that it did not take a simplistic approach to ENTER score cut-offs or straight population demand. It had a mix of measures which reflected labour market trends as much as the existing indicators. Again I will invite any of the others to comment on it, but the more sophisticated multivariate approaches would have our support more than a simplistic single indicator model.

The CHAIR — Thank you very much for coming here. We have briefly touched on a lot of issues. On behalf of all committee members, we congratulate Victoria University on its remarkable success, and we look forward to speaking with you at some point about other matters related to higher education.

Prof. HARMAN — Thank you. If you see a need to invite Carol Morse, I am sure she would be delighted to come and talk about education and nursing.

The CHAIR — Hansard has recorded your evidence and you have tabled your submission. A copy of your evidence will be mailed to you in a week, and you will have opportunity to peruse it and to check the factual details. Thank you very much. I declare this public hearing closed.

Committee adjourned.