

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 – 31 October 2003

Members

Ms H. E. Buckingham

Mr N. Kotsiras

Ms A. L. Eckstein

Ms J. R. Munt

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Witness

Professor S. Walker, Vice-Chancellor, Deakin University

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

The CHAIR — I declare this hearing of the Education and Training Committee open. It is an all-party joint investigatory committee of the Parliament of Victoria. It is hearing evidence in relation to the inquiry into the impact of unmet demand for places in higher education institutions of 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 our first witness today, Professor Sally Walker. Thank you for giving your time to this inquiry. I realise it is a busy time for Victorian universities right now, with various legislation at the federal level and preparing for next year. Could you please state your full name, position and the organisation you are representing for the record.

Prof. WALKER — My name is Sally Ann Walker, and I am the vice-chancellor of Deakin University, a position I have held since the beginning of this year.

The CHAIR — Perhaps you would like to start off by addressing the committee with anything you would like to say, and then we can proceed to questions.

Prof. WALKER — Deakin was Victoria's first regionally based university. It was established in 1974, and it took its first students in 1977. We have five campuses; two in Melbourne — one being at Burwood and the other at Toorak; two campuses at Geelong — one being at Waurn Ponds, which was the original university campus, and the other at the Geelong Waterfront campus, which is our head office; and our fifth campus is at Warrnambool.

We are unique among Victorian universities as we see ourselves as a rural and regional university, with a major campus also in metropolitan Melbourne. We have three core commitments. First of all we have a commitment to rural and regional engagement; secondly, a commitment to access and equity; and thirdly, a commitment to continuing education and lifelong learning, particularly, although not only, via our corporate training arm, DeakinPrime.

I particularly wanted to address your term of reference (c):

How the demand for teaching and nursing places is affected by insufficient numbers of *HECS places ...

I want first to draw attention to what I see as an error in that term of reference, because it goes on to state, in brackets:

(i.e. in courses not available as full-fee paying courses) ...

Both teaching and nursing are available as full-fee paying courses. There is nothing in the present or foreshadowed Federal government policy which precludes a university from offering teaching or nursing as full-fee paying courses. The error may have come about because teaching and nursing have been identified as courses in respect of which it will not be possible for universities to charge what has sometimes been referred to as 'top-up' or 'additional' HECS fees. From 2005, if the legislation which is currently before the federal Parliament is enacted, universities will be able to charge up to 30 per cent more in HECS fees in all courses except teaching and nursing. That may be how this error came about in the term of reference. To make the point even more clearly, at Deakin we have 42 undergraduate students paying fees for education courses, and we have 48 undergraduate students paying for places in nursing.

In our submission we suggested that commonwealth and state governments should collaborate to improve opportunities for access to higher education strategically, and we outlined how. We referred, among other matters, to meeting unmet demand in flexible and innovative ways, and that we should respond to emerging national priorities.

So far as nursing is concerned — and we made nursing our case study in our submission — we said this:

We urge the state government to make representations for increased higher education nursing places in Victoria based on the current levels of *unmet demand for nursing places and the capability and capacity of Deakin University to meet this demand.

We also said:

The force of these representations would be strengthened if the Victorian government were to act in partnership with the commonwealth government and Deakin University by contributing financially to the renovation of the *Dennys

Lascelles building at Deakin University's Geelong Waterfront campus, to accommodate a substantial increase in nursing students.

It is important that I emphasise that, based on current figures, there will be 21 000 registered nursing vacancies across Australia by 2006, and 40 000 unfilled nursing positions by 2010. I would be happy to outline our position in relation to nursing and teaching if that would be of assistance to you.

The CHAIR — Yes, it would be.

Prof. WALKER — Thank you. Since 2000 Deakin has maintained its enrolments in undergraduate nurse education at about 1000 effective full-time student units, while some Victorian universities have reduced their intake. In 2003 an additional 35 places per year were allocated to undergraduate nurse education. So we take approximately 300 students into graduate nursing each year.

We hold the largest market share in Victoria of first preferences for nursing. We hold 22 per cent of the metropolitan market and 30 per cent of the regional market. We have a great deal of unmet demand. I will go through the statistics campus by campus. So far as our Melbourne Burwood campus is concerned, at the change of preference time — that is, at the time when students have their results and are putting in their preferences; not their wish list which is the first preference but at the point where they already have their results — 614 students put Deakin Burwood, nursing, as their first preference; and 163 were selected. So 27 per cent of those first preferences were met.

At the Geelong Waterfront, 345 students at change of reference put this down as their first preference, and 81 were selected, so that is 23 per cent of the students who applied. At Warrnambool, 66 students put nursing at Warrnambool down as their first preference at change of preference; 54 were selected, so 82 per cent were successful. Therefore of a total of 1025 students in 2003 whose first preference was nursing at Deakin university, we were able to offer 298 places. So only 29 per cent of the students who applied for places in nursing at Deakin could be accommodated.

I make the point that I have given the figures at the time that is least likely to be subject to distortion. I have not said what the figures were at the time students put their preferences in before they did their exams, I have put them in to show the figures for the students who really wanted to do nursing and thought they had a possibility of doing nursing, and we could only meet 29 per cent of that demand.

So far as nursing is concerned, I can tell you from the graduate destination surveys, for the year 2000, of our students who graduated from nursing none were seeking work — they were all either in work or had gone back to full-time study or were working part time. Zero were seeking work. In 2001, zero were seeking work; and in 2002, zero were seeking work; so they were all employed or had gone back to study or were working part time. Those are absolutely phenomenal figures in comparison with other courses. We would be willing to enrol an additional 80 to 90 undergraduate students per year at Geelong, at our Waterfront campus, and a further 10 to 20 students at our Warrnambool campus, but we could not do that without, of course, additional HECS places. Secondly, we would need assistance with the cost of clinical practicums in Victorian hospitals; and thirdly, we would need assistance with building refurbishments.

So far as the additional HECS places are concerned, we received an additional 15 places from the commonwealth government for 2004. We were disappointed to only receive 15, but there were only 210 places distributed and the average was approximately 16 to those universities which were awarded additional nursing places. So against that background we were pleased that we got 15 places.

So far as the clinical practicums are concerned, I should tell you that it costs Deakin University approximately one third of the government funding we receive for nursing in paying the hospitals for the clinical practicums. Now, the problem that you have as a university teaching nurses when you are a rural and regional university is that you might have only two students who are doing a particular subject at Warrnambool, but you have to pay the full \$35 per hour for the person at the Warrnambool hospital to teach the students, whereas in the city there might be eight students in the class. So clinical teaching is expensive in respect of nursing, particularly when one is in a rural and regional university.

If I could go on in relation to education, our teaching courses, I did not provide that as a case study in our submission, but there are similar factors at work in relation to teaching. Teacher education courses at Deakin are in very high demand. We receive more first preference applications than there are places available. In 2003, for every place that we offered, 2.2 people applied. We have just had some very good news about our position in relation to

applications for 2004. In 2004 in first to fourth preferences — these are the preferences that people have put down before they have sat their exams and so on, this is their wish-list, if that makes sense — we are the third most popular course in Victoria.

Ms BUCKINGHAM — For teaching?

Prof. WALKER — We are the most popular course for teaching by a long shot. But this is for any course. So the most popular course is arts at the University of Melbourne, and 3287 have put that down in their first to fourth preferences; secondly, arts at Monash University at Clayton, 2377 students; and then teaching, primary, at the Burwood campus of Deakin University, 2261 students have put that down in their first to fourth preferences. Deakin receives more than four times as many applications as it has places available in first to fourth preferences.

There is significant unmet demand for teacher education courses not only at our Melbourne campus at Burwood but also at Geelong and Warrnambool. Many more first-preference applications are received than places available on any of our campuses. At Geelong only two of every three first-preference applicants are offered a place. At Warrnambool approximately three of every four first-preference applicants receive an offer. At Melbourne, three of every five first-preference applicants can be accommodated.

So far as outcomes are concerned, in 2000, 1 percent of our graduates were seeking work and the others were either in full-time employment, had gone back to full-time study or were working part time; in 2001, 2 per cent; and 3 per cent in 2002. Deakin's teacher education graduates tend to come from, and return to, teaching in the state school system. I am very happy to take any questions in relation to nursing or teaching.

The CHAIR — Thank you. It is time for questions from committee members.

Mr KOTSIRAS — In relation to nursing, you gave us the figures for the number of students who choose nursing as a no. 1 priority after the results. Do you have figures that show how many of those students actually had nursing as a first priority before the results, and how do they compare?

Prof. WALKER — Yes, there are always more, because what happens between when you put your first preferences in and you then have your opportunity to change your preferences as you get your results. This is something of a reality check for students; sometimes they realise that they have not done as well as they had hoped. They also know what the ENTER score was for the previous year, so they can really judge whether they are likely to get a place. So for nursing in 2003, 1068 put down nursing at Deakin as their first preference.

Mr KOTSIRAS — How many actually had it down prior to the results?

Prof. WALKER — That's the figure.

Mr KOTSIRAS — In your opinion, do you believe there is any role the state government can play in increasing the number of places for nursing or teaching?

Prof. WALKER — Yes, there certainly is. There are two things that I think the state government could do. First of all it could provide funding for places for us. The second possibility is that it could work with us, in partnership with us, in nursing and education, where we are obviously in our view the no. 1 provider in Victoria — judged by any methodology — to put us in a better position to obtain additional HECS places from the federal government. I believe, in my judgment, we would be able to make a stronger case for additional places in nursing and education if we could show that the state government supported that, and supported it in a way that actually provided us with financial assistance towards it.

The reasons I believe the state government should do this are, firstly, that we at Deakin are training the nurses who nurse in government hospitals, particularly in rural and regional Victoria, but also in metropolitan Victoria; and secondly, we are the university that is training the teachers who teach in state government primary and secondary schools.

I have outlined the way that you could help us, firstly, in relation to nursing, with assistance in the prohibitively high cost of clinical practicums; and secondly, if I could say more about the building projects in relation to nursing. We have asked the Victorian government to help us in one of two ways. One way it could help us is by providing us with \$5 million in capital to develop some space in the current Geelong Waterfront campus at Geelong, but we believe an even better option or outcome for the city of Geelong would be for us to be able to renovate what is known as the Dennys Lascelles building on the Geelong Waterfront.

It is a matter of great regret to the university, and we feel very uncomfortable about the fact, that whereas we began the rejuvenation of the waterfront by renovating the first of the woolstores buildings there, we now have what is, I think, the only unrenovated building — the Dennys Lascelles building, which is a former woolstores building. It is derelict; it is an eyesore; and it would probably cost \$37 million to renovate, but if the state government were to provide us with \$15 million that would allow us to get started on that renovation. The difference between the \$5 million option and the \$15 million option, if I could call them that, is that the \$15 million option — with additional money provided by the university — would allow us to provide more of a public service interface for our nursing and occupational therapy programs — occupational therapy, like nursing, operates out of the Geelong Waterfront campus — and work in partnership with the local community, whereas the \$5 million option is in a part of the building that would not provide a public interface in any way.

In terms of education, we would very much like to build a new building for our education faculty on our Burwood campus. We believe we have a very innovative approach to teacher education, and that is one of the reasons why we are the most popular place for students to study for teacher education. We believe that we could do much better with a building that allowed us to have modern technology and to teach our teachers to teach in a modern way. We have not costed the building of such a building on the Burwood campus, but it would be a significant cost.

The CHAIR — I would like to follow up on that. Can you clarify the \$5 million and \$15 million. Did you say you had \$15 million or that you had \$5 million or that you have an application — —

Prof. WALKER — No, we have nothing.

The CHAIR — I was not quite sure.

Prof. WALKER — Mr Herbert, I have discussed with both Minister Kosky and Minister Bracks our capital needs as a university.

Deakin University, as I said, started taking students in 1977. We are a relatively new university, and unlike some of our older counterparts we have not had the advantage of significant government funding for infrastructure over a lengthy period of time or of philanthropic donations. Our students only started in 1977, so have not graduated for as long as students from other universities, who may be in a position to provide financial support to their universities.

We have an ambitious program for capital development on all of our campuses, with the possible exception of the Warrnambool campus, which needs refurbishment rather than new buildings. Two of the proposals that I have put to Ministers Kosky and — I'm sorry, did I say — —

The CHAIR — Premier; and the Premier.

Prof. WALKER — It was not the Premier, I am sorry — it was Minister Brumby. I apologise. Could I correct that to Minister Brumby.

One of the proposals was a \$5 million capital development in relation to our existing Waterfront campus — there is a part of the building which is just a shell and would cost us \$5 million to renovate — and/or alternatively a proposal that the government assist us to the extent of \$15 million for the Dennys Lascelles building, which as I said will cost approximately \$37 million to completely renovate. They are the proposals I have put. I know that the ministers to whom I have referred consider these to be good proposals, but they are not ones that we have as yet received any funding for.

The CHAIR — I know that in past years, as Mr Kotsiras would also know, there was funding for your Waurn Ponds campus — there was a priority in that what was the IFC, or the International Fibre Centre, is now a technology centre or something of that nature, you know, an industry interface with your other courses. Perhaps for the committee's benefit, because this is the first time this has been raised, you could explain how the commonwealth-state interface on capital funds works. What are the channels in it? I assume that when the university is approved there is capital works funding for it, and there is commonwealth funds streaming, I would imagine.

Prof. WALKER — The commonwealth government funds universities in relation to their students, and also provides a capital component to our core funding. It is sometimes possible to obtain commonwealth funding in other ways from various parts of the federal government. Likewise at a state level it is possible sometimes to obtain funding, as the university obtained funding for the IFC building at the Waurn Ponds campus to be transformed into

what we call the Geelong Technology Precinct. But these are generally cases of project funding from the state government.

Ms BUCKINGHAM — You spoke about your lack of capital infrastructure funding and philanthropy because of the age of the university. Given the students I know Deakin attracts and the sorts of courses you offer, what will be the impact of the higher education review on the competitiveness of Deakin University?

Prof. WALKER — We are doing modelling to be better informed about the likely impact of the higher education reforms if they are enacted. For the sake of other members of the committee who may not have had the advantage of a discussion that Ms Buckingham and I had earlier this year, Deakin briefs the politicians of all political persuasions associated with our campuses on a regular basis — and I hope they are useful briefing sessions — —

Ms BUCKINGHAM — Very.

Prof. WALKER — Thank you. There are two main things I need to advise you about. First of all, if the federal government reforms are enacted universities will be able to charge additional HECS charges in respect of all courses except nursing and education — they will be able to charge up to an additional 30 per cent of the HECS charges that the commonwealth government would otherwise have set for 2005. That is not an option in relation to nursing and education, but the federal government will fund us in respect of nursing and education at a higher rate than in the past.

The second change that will come about is in relation to full-fee paying courses. Currently students who take up full-fee paying courses must pay what we call ‘up front’ — they must pay as they start the course. The change will be that students will be able to take advantage of a federal government loans scheme up to a maximum of \$50 000 in relation to the fees that they are required to pay. Secondly, whereas the maximum number of fee-paying students that a university could take in any course currently is 25 per cent of enrolments, it will go up to a maximum of 50 per cent of enrolments.

Victorian students and their parents have in fact embraced fee paying in a way that has not happened to such an extent in other states, except perhaps New South Wales. I am not sure whether this is because so many of our students attend private schools and parents see this as simply yet another four years of fees; I am not sure why that is. But one concern I have is that if these reforms are enacted the difference between a HECS place and a full-fee paying place will be less stark. Students will no longer have to pay the fees up front, and there will be more places, so I do not think they will feel that this is an unusual thing to do.

Against that lengthy background, I believe that Victorian students and their parents will be faced with the possibility of, say, being offered a fee-paying place at the University of Melbourne or at Monash University and a HECS place at Deakin. Whereas in the past parents and students may have said, ‘We cannot afford to pay that fee up front; we will take the HECS place at Deakin’, now the full-fee paying place — if these reforms are enacted — will be a more attractive option. That is a concern to me.

I do not want to overestimate it, because I do not want you to take from what I have said the idea that I think that Deakin is inferior to other universities. Indeed I think that, particularly in undergraduate teaching, Deakin University has such a deep commitment to providing a quality education for its undergraduate students that the students will become more discerning under the new model, and Deakin is likely to benefit from that. As I have indicated, we do have one course in the top 10 of all first preferences for 2004 and three courses in the top 10 for first to fourth preferences: teaching, nursing and arts. We are very proud of that.

Secondly, we do have fee-paying students at Deakin University. So I do not want to overestimate the impact of those reforms on the university. What we are looking to do is to provide scholarships to students, particularly residential scholarships, to study at our Geelong and Warrnambool campuses, because I know that the main disincentive and difficulty that students suffer when they come from low socioeconomic backgrounds is the cost of supporting themselves through a university course. I feel passionate about the contribution that Deakin should make to that through our commitment to access and equity. So that is one of the possibilities that we are looking at.

I know that some Victorian universities are looking at the possibility of charging differential HECS — higher education contribution scheme — fees at different campuses, so they might charge less at their rural and regional campuses than at their metropolitan campuses. We looked at that possibility, and we have rejected it because one of the very positive things about Deakin is that no-one ever asks the Deakin graduate, ‘From which campus did you

graduate?'. A Deakin degree is a Deakin degree. I do not want to do anything that suggests that we think that the quality of the educational outcomes is any less at Warrnambool or Geelong.

Indeed you might be interested to know that in our evaluations of teaching we ask every student in every unit to evaluate the teaching and the unit at the end of every semester and our results at Warrnambool if anything are slightly higher than at Geelong. It probably is not statistically significant, I should say, but they are slightly higher than at Burwood. I think that is because it is a small community and they work well together. That is a long answer to your question, Ms Buckingham, but these are very difficult issues that universities must address. I want to assure you that at Deakin we are addressing them against the background of our core commitments to rural and regional education, to access and equity and to continuing and lifelong learning.

Ms MUNT — First I would like to say congratulations on all that you are doing at Deakin. It sounds absolutely fascinating. I know a few students who go there, and they are very pleased. I have got one young lady I know that is doing architecture at the Geelong campus and she absolutely loves it.

Prof. WALKER — Thank you very much

Ms MUNT — My pleasure. You are talking about basically the financial pressures on the budget of the university and also the financial pressures on the students who attend. I was just wondering if changes to the over-enrolment funding will further impact on that and cause further difficulty. Do you have a view on that at all?

Prof. WALKER — Yes I do. One of the differences between the federal government's proposal and the opposition's proposal relates to the number of additional places. The opposition's proposal is to fully fund current marginally funded places, the over-enrolment places. The federal government's proposal is for 25 000 new places to replace marginally funded places from 2005. And universities will, we believe, be asked to bid for those 25 000 places. We do not have a lot of over-enrolment at Deakin; we cannot afford to. We do not have enough reserves and financial slack — if I could call it that — to provide places that are only funded at a marginal level. So if the current margin of over-enrolled places were simply transferred into fully funded places, that would not assist Deakin very much. However, we believe that if we could bid for new places, particularly with the assistance of the state government, that we may well be successful in obtaining additional places.

Ms ECKSTEIN — I would like to follow up on that over-enrolment discussion we just had, particularly in relation to your regional campuses, Geelong and Warrnambool. You have indicated that you are looking at things like residential scholarships, to encourage students I presume. Warrnambool is a very small campus. Is there an over-enrolment issue? When you say you do not have a lot, are they spread or in one place?

Prof. WALKER — I am sorry, I do not have the precise figures on over-enrolment per campus. We tend to do it per course rather than per campus. If I could just react instinctively and say I do not believe that we would have very much over-enrolment at our Warrnambool campus.

Could I place on record the fact that the Warrnambool council is very supportive of Deakin University and is working with us to try to ensure that the Warrnambool campus is attractive to students. And we are delighted with the assistance that Warrnambool has provided to us, and indeed the Geelong council is also very supportive of Deakin University. We are really using the Warrnambool City Council as a pilot for encouraging or attracting international students to our campus at Warrnambool. We believe that that will assist with its viability, and the City of Warrnambool sees great benefit to it as well for having international students enrolled in Warrnambool, and it is providing great assistance to us in relation to that endeavour. I want to say that I am absolutely committed to retaining the Warrnambool campus. It costs us additional funding, of course; we have to subsidise it. When you have five campuses and three of them are in rural and regional Victoria it costs additional money. We do not have the money to even work out how much money it costs us.

Ms ECKSTEIN — That was going to be my next question.

Prof. WALKER — Could I say, Ms Eckstein, that a lot of universities will put forward figures to you about how much it costs. It is very difficult to cost. I could tell you things like, we have a fleet of cars that cost us a figure in our budget and I thought an extra nought must have been put in by mistake. We travel an enormous number of kilometres. Our staff drive between campuses on our time, if that makes sense. Often I think they drive not on our time, out of their dedication and so on. It does cost. All I can say is that instinctively one knows it costs money to provide services outside a metropolitan area, and in addition to that we must duplicate services because we have campuses in Warrnambool, Geelong and Melbourne.

Ms ECKSTEIN — Would it be fair to say you think there should be some extra funding allowance for providing in regional areas in the way the university is funded?

Prof. WALKER — Yes. In fact there is rural and regional loading as part of the federal government's proposed reforms to higher education. We are very pleased to see that. It will not actually benefit Deakin University to a very great extent because of the way the formula works. The formula works better if you are a small university with only one campus and you are a long way from the city, if that makes sense. All formulas are blunt instruments. The Warrnambool campus is 280 kilometres from Melbourne; if it were 300 kilometres from Melbourne we would receive further funding. We are thinking of suggesting that everybody should go to the campus via Mortlake then we would be all right. All formulas are blunt instruments, and I am not complaining about the way the formula operates. It would be worth less than \$1 million to us in additional funding per year, but we are grateful for the additional funding. It is the first time there has been a recognition of the additional costs for rural and regional campuses.

Ms ECKSTEIN — But you would not be averse to getting a little more?

Prof. WALKER — Never. We would be delighted if the state government were to provide additional funding based on the fact that we have rural and regional campuses, which are important to the cities. I sometimes think the cities that are fortunate enough to have universities do not realise how fortunate they are. In my previous position at the University of Melbourne, and in my current position at Deakin University, I have interactions with the City of Greater Shepparton, which does not have a full university, although several universities have aspects of their operations there. They know what benefit it would be to them to have a university campus at Shepparton.

The CHAIR — You talked about teaching nursing and the unmet demand you have with regard to student numbers. While there is an argument about what is the cut-off level, it is clear there is substantial demand at the campuses. Is this a problem with the profile-setting process with the commonwealth negotiating funding each year with the state, or is it a lag affect from the 1996 budget cuts and the changes in the way national universities were funded that reduced funding to Victorian universities?

There is the unmet demand, and that could be for a number of reasons, particularly with nursing and teaching. One could be a fall in the profile-setting process — that the places that are negotiated with the commonwealth and Deakin do not take into full account the demand or supply sides of the economics of teaching numbers and need, or a second could be that there can be a general problem with the number of places funded in the system, particularly from those budget cuts that can flow through from the 1996 federal budget?

Prof. WALKER — All universities were affected by reduced funding as a result of the 1996 cuts. There is no doubt about that, although I should say that if the federal government package of reforms is passed, and if Deakin University is eligible for additional funding, Deakin will receive an additional \$6 million in 2005, \$8 million in 2006 and \$10 million in 2007. We knew we would receive more funding because we knew we were underfunded. It indicates that we have been underfunded for many years.

Some universities had moved their load into areas which should not receive as much funding as the high-cost areas, if I can call them those. Deakin had not done that, and therefore we will receive more money whereas some universities will receive less because they had transferred load from high-cost courses to low-cost courses. It is always possible to argue for a reallocation of your load, but you have to bear in mind the need to retain the university as a university. I hope Ms Buckingham will not be offended, but we do not want Deakin to become a teachers college. I know that my faculty of education would feel exactly the same way about it. We want our teachers to learn in an environment where they get a good broad liberal education, as well as our nurses. Many of our nurses take philosophy subjects, which is a wonderful addition to their general broad knowledge and understanding.

We could transfer load into teaching and nursing; as I have explained, we transferred ourselves 35 places — bear in mind the federal government gave us 15 places — into undergraduate nursing. There comes a point where you cannot do that to your other faculties and retain their viability. What we need is additional places at Deakin, and we are prepared to put those additional places into priority areas. We are prepared to work with the state and federal governments to identify areas of national and state importance and put the additional places into those areas, and nursing and education are obviously examples of that.

The CHAIR — We are out of time, but I want to ask you about the allocation methods between the states with the current model in terms of participation rates in Queensland and the Northern Territory, which has had an

impact here, and the various models that could be used, whether it is year 12 completion, whether it is a demand model or whether it is the nature of industrialisation versus society. We may not have enough time for that.

Prof. WALKER — I can say one thing quickly. At Deakin we do not believe it should be looked at on a state basis because we believe that Deakin we can train teacher students wherever they are. We are a distance education institution as well as an on-campus institution. We started our lives as a distance education institution; we could teach nurses who are doing their clinical placements in Queensland. We believe one should look beyond the boundaries and limitations of the locations of states. Because of the location of our Warrnambool campus we believe we should be serving Mount Gambier. A more sophisticated system needs to operate as well as more advanced thinking in relation to the allocation of places to particular universities, bearing in mind that in some universities — it is not only Deakin University but Deakin in particular in Victoria — are able to provide education to people who live long distances from our campuses.

The CHAIR — We had other questions, but if you do not mind we will send you those questions, and if you have the time you can give us responses.

Prof. WALKER — I would be happy to help in any way. I am grateful to you for your time.

Witness withdrew.

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Witnesses

Dr J. Wells, Principal Policy Adviser, Chancellery; and

Mr A. Calderon, Head, Institutional Research Consultancy Unit, Royal Melbourne Institute of Technology.

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

The CHAIR — I 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 to the Victorian Education and Training Committee. This is the first inquiry ever that a committee of this nature has had in this Victorian Parliament. It is good to see you here, Julie. We go back a fair way, and it is good to see you representing the Royal Melbourne Institute of Technology (RMIT) at this hearing.

We will give you an opportunity to make a statement, if you would like to, or to put a point of view from RMIT's perspective about the inquiry, and we will have some questions for you.

Dr WELLS — Thank you, Steve, and thank you to the committee for the opportunity to participate in this discussions.

I would like to start by expanding briefly on our submission, after which my colleague and I will be happy to respond to any questions you have, to the best of our ability.

The submission we have put before you reflects RMIT's identity as a dual-sector university of technology, and it reflects our history as a workingman's college. This history shapes our goal of preparing students for satisfying careers, and for active citizenship. We keep as part of this heritage strong links with industry and the community; an emphasis on work-integrated learning; and a commitment to applied research and scholarship, which is about addressing real world problems.

We are proud of our graduate's achievements. The graduate employment rate at RMIT for higher education students is well above the national average — it sits at around 83 per cent; as it is for our technical and further education (TAFE) students where the graduate employment rate is 78 per cent, compared with the national average of 72 per cent.

Something which we are particularly interested in and excited about is the fact that our graduates are also forming their own enterprises and starting their own businesses at a rate which exceeds the national average. So our history and our mission, which is very much related to employment, community and industry needs, provides the lens through which we have addressed these terms of reference. We are conscious that measuring demand is a complex issue, and we welcome the fact that the committee is giving it such attention. While we have noted in our submission that we think the Australian Vice-Chancellors Committee methodology is a rather blunt instrument, it is useful in so far as it allows us to track trends over time. We note that there has been, using this measure, a 33 per cent increase in unmet demand since 1991.

Our submission acknowledges that while there is no consensus as to how demand for higher education should be measured, if we take too simplistic an approach we can obscure the importance of the issue. That importance is underlined firstly by the emergency of knowledge-based industry as a driver for economic and social growth, particularly in Victoria; and secondly, by the fact that we know employers are looking for staff with not only expert knowledge but with high-level capabilities, and the capacity to adapt.

We know that today's students will have five, six, or seven careers, whilst their parents may have had only one or two. Some future analysts are suggesting that 75 per cent of jobs that will exist in the year 2025 are yet to be invented. More and more of them will require higher education qualifications, or their equivalent. I think it was the former British secretary for education, Estelle Morris, who estimated that 8 out of 10 new jobs in the coming century will require that kind of knowledge, skill, and capability.

We note that our international counterparts are setting targets for increasing participation. We note the data in the paper prepared by the Victorian office of higher education which relates to Australian and Victorian participation rates, and the fact that we are above the OECD average at the moment but behind a number of rapidly growing industrialised economies in the extent to which we are educating people at this level.

We think that the potential cost of unmet demand to the community has not yet been fully explored — for example, the cost in productivity. I know your inquiry goes to the issue of skill shortages, but I guess it also goes to the hidden cost of people who are unable to find meaningful employment, or who fall in and out of employment because of their lack of capacity to access ongoing retraining and education. We have also noted that the OECD predicts that in this knowledge-intensive economy we are moving towards the gap between the knowledge haves and the knowledge have-nots is going to become more pronounced, so we think there are issues around social

cohesion as well as economic growth. From this perspective we have concluded that unmet demand is likely to have a negative impact on Victorian industry, and the Victorian economy more generally.

As argued in our submission, we think that forecasting future demand for higher education in terms of movements in the youth demographic — which is the approach currently favoured by the commonwealth government in determining the extent of future provision — is also problematic in that it ignores the fact that as the baby boomers age and feel the pinch of inadequate superannuation, and as the labour market demands that people move across fields of employment, they are likely to stay in the work force longer and require access to further education and training. I guess our message is that we should look beyond the quantum of demand and unmet demand and look at the drivers of demand, and the requirements of the broader society in developing appropriate policy parameters.

When we review and plan our profile at RMIT we prioritise quality, relevance and viability in looking at which programs we should offer. Demand by students for particular programs is measured by applications, and is one important indicator of viability and relevance; and perhaps also of quality. But we are also aware of social demand: the demand by industry and the labour market for highly skilled workers that I referred to earlier. In looking at this level of demand we are also developing detailed dossiers around key industries which link to RMIT's areas of strength and specialisation. If you are interested in having further details about that, Angel can give you more information.

We have also expressed some concerns about the impact of the commonwealth government's reform agenda for higher education in our response to term of reference (e), and we share Professor Walker's deep concerns about the need to ensure that students have adequate income support because we know this is affecting participation. It is not just affecting the capacity for students to enter higher education but their capacity to stay there. I think our submission quotes the number of full-time students we have who are working; a figure of around 75 per cent. However, our financial counsellors tell us that around 90 per cent of the students they counsel have some form of financial stress. They may not present with that as the main issue but further discussion will often reveal that it is a significant stressor in their capacity to continue their studies. So we are concerned about that aspect of the reform agenda for higher education because we believe it has been neglected; and we are concerned about the capacity of existing university infrastructure to accommodate the demand which we think will continue to develop in an environment where we do not currently have a long-term strategy for strengthening and improving capital development and infrastructure for universities. This is an area where we would welcome some cooperation or discussion between the state and commonwealth governments.

At the same time, like Professor Walker I guess, we can see opportunities in a new environment, particularly one which is more competitive and in which universities are encouraged to specialise and focus on areas of strength and relevance to students and to the wider community. An example of this would be through increasing opportunities for participation and pathways through TAFE and higher education partnerships which is something we are focused on, particularly in regional Victoria but also in metropolitan Melbourne; and through harnessing community-based resources to expand learning opportunities for people who might not otherwise be able to access higher education in a more traditional setting. I will leave it there.

The CHAIR — Thank you. Mr Calderon, would you like to expand briefly on the industry profiles and the process.

Mr CALDERON — I would like to comment particularly on the industry dossier activities we undertake at RMIT, as Julie already indicated. The industry dossier forms part of the broader implementation activity that we undertake at RMIT. It is a way to gauge trends and emerging issues in industry and start looking for a horizon. The preparation of industry dossiers is a key component of the implementation of the strategic plan. It also fulfils an important role within the profile planning process of the university. The industry dossier is utilised; it is the second time we have done them. This is one method of obtaining information for determining relevant space and sound analysis of the industry and its trends, and understanding RMIT's capability.

The industry dossier development has a number of purposes. For example, one of them is that it enables us to consider the relevance of current programs in profile, so it is a vehicle for discussion with program leaders and the university. It also enables identification of new programs in the profile process to identify new and emerging industry trends, and to enable publication of fact sheets, or the promotional materials. It is also a link and support for the strategic directions documents within the university.

The outcomes of the industry dossier development is an intelligent understanding of industry development and forms a link with government priority that enables RMIT to set the agenda and respond and implement university

strategy. The material is utilised for a range of purposes for external engagement — for example, improvised information, different topic organisations, international context, government and industry representatives. This is the second year that we have undertaken this industry dossier activity at RMIT, and it has become a key activity in the sense that a lot of university programs are utilising that information and now we are refining that process to make it more vigorous and grounded in the work that program leaders need to do. So in that way they can prepare students in a better way once they complete the programs in their work force.

The CHAIR — Thank you.

Ms ECKSTEIN — Can you quantify the unmet demand, perhaps stratified across courses or particular areas? To what extent are you able to meet the demand, and where are the gaps?

Dr WELLS — I am afraid I cannot give you precise figures across all of the areas of the university — areas where we are currently experiencing high demand — and a high degree of unmet demand would come as no surprise to you, I expect. Certainly architecture and constructed environment is a very high-demand area at RMIT, as is nursing. I do have some precise figures here, but it might take me a minute to find the right piece of paper.

Ms ECKSTEIN — Perhaps you would like to provide those to us later. We would be happy to have them later.

Dr WELLS — Certainly.

Ms ECKSTEIN — What would be needed for you to meet the demand?

Dr WELLS — Which particular field are we thinking about — or generally?

Ms ECKSTEIN — Generally

The CHAIR — Given the cut-off scores, you seem to think — —

Dr WELLS — The obvious and easy answer is more money, and I am not being completely flippant here obviously. It is not just the number of publicly funded places that are available to Victorian students, it is also the quantum of funding attached to those places, particularly in areas where the infrastructure costs are high, such as nursing. For example, in Hamilton we have a nursing program that is run partly around a memorandum of understanding with the local hospital and regional health service and last year we had over 300 applications for 25 new places. So clearly demand there is very high. Our capacity to meet that demand is very much linked to infrastructure and resources, and some of the issues that Professor Walker raised are relevant to us. With our regional engagement we bring city students to the regions and regional students to the city; it is very much a mutual process. So there are a lot of hidden costs if you do not have a large bricks and mortar presence in regional Victoria.

We welcome the regional loading that the government is providing to priority places in nursing, but we are also in the lower span, and it is only going to add an extra \$32 000 to our revenue next year. So the issue is not just around the number of publicly funded places, it is around the resources attached to those places and our capacity to meet local demand, because as you would be aware, the people in the regions identified very strongly with having education and training located in their community with their industries and is producing graduates that fuel their local economy. I think that 90 per cent of our first nursing graduates at Hamilton are employed locally. That is an example to give you an answer to your question, but the principles apply fairly broadly.

Ms MUNT — I find what you say absolutely fascinating, and I want to concentrate on one aspect of it that I have not come across before. You say that it is a workingman's college and that 90 per cent of students are under financial stress and 75 per cent of students have to work. Then you talk about interaction with industry to perhaps support those students. I am particularly interested in the northern region because that region is the manufacturing base for Melbourne, and you have campuses there. Is there anything in place to put all those things together — the manufacturing base, the students there who are probably from working-class backgrounds and who have these dreadful stresses basically supporting themselves while they are trying to get an education? Is there anything in place or is there anything that could assist them?

Dr WELLS — Yes, indeed. I would be very happy to provide you with details of the full suite of our activities in northern metropolitan Melbourne because it is an area where we have focused a lot of attention and energy. In a nutshell we are involved in local learning partnerships which are overseen by committees which include local government, industry and community institutional representation.

It is interesting because students' engagement with work is a double-sided coin in that the fact that so many of our students are working is in some ways a real positive. We are finding out that through working they are not just learning in the very practical and immediate sense but the learning they are doing at RMIT is informing their professional practice and development and adding value for employers. We are also finding that our employers are having an active engagement with the university through our program advisory committees because of the fact that they have students at RMIT on their staff. So I would not want to suggest to the committee that the fact that so many students are in work is in and of itself a problem; it is more of an indication of the fact that many students need to work to participate. I think the capacity of the university to respond to that very pointy issue is quite limited.

At the moment we are reviewing the full suite of scholarship and assistance programs that we offer to students, and one of the reasons we are doing a very broad-ranging review of this is so that our response to the federal government's reform agenda can address what we see as a real problem around income support. So while our capacity is limited, we want to ensure that it is targeted where we are offering support and where it can do some good.

Mr CALDERON — May I add something? In relation to the work and the study, we are now finding that the students are basically saying they need to combine their work and their study because in many respects they complement each other. To some extent the issue is about balancing work and study commitments.

Ms MUNT — It can complement, but it can also go beyond that and become an onerous work burden on the students I would imagine, especially in the northern regions.

Ms BUCKINGHAM — Dr Wells, I would like to talk about the fact that RMIT is the largest dual-sector institution. I looked at your statistics, which I thank you for providing, about the number of people who put down RMIT as their first preference, and you win the wish list! I cannot remember what that used to be called — top of the pops or top of the polls or something. Anyway, I congratulate you for that, and also for the number of people applying for your TAFE sector, which is excellent.

In 3.3, where you refer to terms of reference, you talk about the huge increases that have occurred in the number of people applying for the TAFE sector — a 30 per cent increase over four years, and only an 8 per cent increase in the higher education sector. In the third paragraph you go on to talk about what you feel anecdotally. I come from a teaching background, and I think that articulated pathways are one of the best things that have ever happened, because sometimes for some students, giving an ENTER score is not indicative of their ability. People mature differently and have different educational opportunities presented to them in secondary schools. Quite often they do not get the sort of ENTER scores that get them into higher education, yet that is what the majority aspire to. I think TAFE offers an excellent education, and I believe there should be articulated pathways. Given the huge increase you are seeing in that sector and the fact that you say anecdotally this can be perceived as cost shifting, I wonder if you could comment on that for me?

Dr WELLS — Yes. It is not a straightforward issue, you are absolutely right. The ENTER score is in some ways an artificial construct because it is about demand.

Ms BUCKINGHAM — Exactly!

Dr WELLS — One of things RMIT is doing, and I think a number of Victorian institutions have similar programs, is the School Networks Access program, or SNAP, where we work with targeted schools and admit a certain quantum of students each year into our higher education programs with ENTER scores below what would otherwise be a cut-off point.

Ms BUCKINGHAM — Congratulations on that.

Dr WELLS — We do it on the basis of interview and the school's recommendation. These students come to us from backgrounds where they may not have had the same support for learning as some students with more privileged backgrounds, but they have potential. It is pleasing to note that the success rates and retention rates of those students are very high. First of all I would like to agree with you fulsomely about the issue around the ENTER score.

The issue around articulation has become particularly difficult partly because of the fact that the commonwealth has put this issue of cost shifting on the agenda through its debate about reform of higher education and the suggestion that students articulating from TAFE into higher education should pay HECS fees when they are enrolled in TAFE. RMIT was quite vocal in its opposition to that idea, partly because we thought it is very difficult

to identify those students when they are in TAFE, and we would not want to start treating those upper streams — I should not use that sort of hierarchical language, but you know that I mean the certificate V and VI programs — as just proxy entry to higher education. They have their own value and their own educational and training benefits for students.

If we look at the number of students who put as their first preference higher education at RMIT in 2003, 1266 of them ended up enrolled in RMIT TAFE or other TAFE programs, which bears out the idea of some kind of displacement effect, and also perhaps the idea that they are looking to articulate as well.

We need to encourage articulation and recognise the integrity of the TAFE qualifications in and of themselves. I would hope that we can find some resolution to the issue of ensuring that these programs are adequately funded. As you would be aware, the cost of infrastructure in higher education is higher than in TAFE colleges because of all the activity that flows around it.

Mr KOTSIRAS — Have you got any data on what number of students who enrol in the teaching or nursing degrees miss out and then go into TAFE? If so, is there an impact on the level of unmet demand in TAFE?

Mr CALDERON — I think we would have to take that question on notice. You have asked a particular question on teaching and nursing. We will have to go back and extract the information because it is specific.

Dr WELLS — The data I have is global data around the number of people who applied for places in RMIT higher education programs and who ended up in TAFE programs, so it is not disaggregated at the level you are seeking. Can we extract that?

Mr CALDERON — We can do that.

Mr KOTSIRAS — You said that you always need more cash. Is that correct?

Mr CALDERON — Yes.

Mr KOTSIRAS — Are you able to tell me whether your campus in Vietnam is profitable?

Dr WELLS — I have not come prepared to brief you about the campus in Vietnam.

The CHAIR — We will stick to the terms of reference.

Dr WELLS — I am sure the university — —

The CHAIR — Dr Wells, we will stick to the terms of reference, thank you. I do not think it is domestic provision in Vietnam, is it?

Dr WELLS — No, but I am sure the university would be happy to provide you with information.

The CHAIR — I might wrap up with a couple of questions. Briefly on the issue of Hamilton, you talked about the Hamilton campus and nursing. Is that a university profile or a TAFE profile?

Dr WELLS — I beg your pardon?

The CHAIR — With nursing places, they can be done in TAFE or out of university. Does the Hamilton campus you were talking about earlier have a TAFE provision or a university profile?

Dr WELLS — That is higher education. We do some partnered work with East Gippsland Institute of TAFE where we actually share infrastructure, and we offer a higher education nursing degree alongside the East Gippsland Institute of TAFE with pathways from the East Gippsland TAFE into the RMIT program, but our places at Hamilton are all higher education.

The CHAIR — I get it. I just wanted to clarify that.

On the point that Ms Munt made in terms of the northern region, your submission says that you received the highest number of HECS applicants of the Victorian universities — that is, 11 000 — and that demand for VET and higher education has increased 20 per cent since 1998. I think the number of undergraduate places has grown by about 9 per cent since 1998. Is that right?

Dr WELLS — Yes, I think that is right.

Mr CALDERON — Yes.

The CHAIR — There are two things there. Do you have any analysis for the reason for that demand growing? Is it to do with completion rates at year 12 or expectations of the labour market? I guess that is the first thing. Have you received any additional places to try and meet that demand? Going back to the 1990s, have you received additional places to meet your additional demand?

Dr WELLS — Are we talking TAFE or higher education, or both.

The CHAIR — Higher education. This is an inquiry into higher education. The TAFE link in terms of the inquiry is whether there is substitution that is having an impact on the TAFE area. Can you comment on that?

Dr WELLS — Sure. Our funded load in higher education has remained fairly stable. There was a small reduction as part of the profile negotiations a couple of years ago, and that was partly to compensate for the fact that our discipline mix meant that we were underfunded and there was a correction. The short answer to your question is no, we have not received additional places. Like other universities we have enrolled above our funded load and received marginal funding for those places in the way that Professor Walker outlined to you.

The CHAIR — Do you have those numbers?

Dr WELLS — Yes. Our level of overenrolment this year is sitting just below 3 per cent. It has come down. I think it was 5 per cent a couple of years ago.

Mr CALDERON — About 6 per cent.

Dr WELLS — Yes. We have had to bring it down because we have to keep quality. Obviously these places only attract less than \$3000 per student, so it is only a viable option when you have the infrastructure to accommodate more students without a substantial increase in resources. So we have brought it down. We do not want to bring it down any further, partly because of the issue of demand, especially for HECS-liable places, and also because under proposed reforms the commonwealth is going to insist on much tighter contractual arrangements with universities. Essentially we are looking at a purchaser-provider model, where the commonwealth will tell us how many places it will fund and in which areas of provision. We would hope there would be a very active dialogue between the commonwealth and the state government on that matter.

The CHAIR — This is to see that you get your replacements for those in a new system that is fully funded, is it?

Dr WELLS — No, this is for all student places. Under the government's proposed reform agenda universities will negotiate an annual funding agreement with the commonwealth which is much more prescriptive than the current profile process, which allows more flexibility. This will go to the number of places the commonwealth will fund, and in which courses and areas of study. That will be subject to agreement, and the penalty for underenrolment or overenrolment, the margin is actually quite small. We cannot afford to have high levels of overenrolment because we will be penalised.

The CHAIR — I presume if you do not get them replaced you will be penalising the community, because there will be less places available at RMIT?

Dr WELLS — Absolutely, and that is the second issue around the replacement of the overenrolments. The government has indicated that it will phase out the existing overenrolments, which are currently around 32 000 across the country, with 25 000 new places. We are very concerned about the basis on which the government will allocate those places. As Professor Walker indicated, we believe that there will be a bidding process involved, and we would be very happy to work with the Victorian Parliament in providing information that would assist Victorians getting a good swag of those places. Our fear is that if the government just simply looks at age demographics, Victoria could miss out substantially relative to other states, and because the government has not published the criteria it will use we do not know yet the extent to which this is a major opportunity as opposed to a major risk for Victoria.

The CHAIR — I guess that leads me to the next question. I think you have agreed to supply the committee — Ms Eckstein — with your unmet demands as you have gone through the last few years, so that would be useful for us.

My final question is, as I asked before — I think you may have heard — around the issue of the way places are provided nationally to states and universities. Essentially, as I understand it, there was a change back in the Hawke government whereby provisions of HECS-funded places went to more northern states because they had such higher rates of participation. So they moved into a model of a population share, basically, away from a demand-driven model.

Dr WELLS — Yes.

The CHAIR — Since then it would appear that we have seen Victoria with major unmet demand being an industrialised state. The question for us is this: is the current system a fair system or should there be other models that we would advocate to the commonwealth as to ways of allocating the available bucket nationally which perhaps meets our demand?

The Phillips Curran report — I am sure you are familiar with it — talked about other methods of allocation of other countries. Does RMIT have any viewpoint on whether the current system is appropriate: whether it should be by completion rates at year 12, by demand rates, by analysis of the industrialised nature or whatever of the state? Has RMIT looked into that?

Dr WELLS — I will pass over to Angel, because he has done some work on different models of distribution in relation to the overenrolments. Before I do that I will just comment briefly that we are very aware that our stakeholders in business and industry would like to see a model that reflects outcomes as well as population demographics. I think that has come through very clearly from the business council and from individual stakeholders in business and industry we have spoken to. We think there is room for exploration of that model, providing it is based on outcomes that satisfy community standards and allow for a diversity of institutional activity that do not suggest that all institutions should be producing the same kind of graduates.

Mr CALDERON — We have had discussions — I am glad Julie mentioned that — because we started a project last year which led to the release of a paper on unmet demand, and I think that was just touching the surface of that issue. We really ought to do our exploration on demand — there are a number of things we need to consider — because there would be a range of factors affecting unmet demand and how we measure that unmet demand. For example, what is the cost to the individual and the net loss to society in general? In that dimension I do not think we have done so much work; in general it is an idea that is yet to be researched more thoroughly.

If governments or institutions are able to meet more unmet demand they will be able to get more skilled labour and therefore those people with highest skills will be able to get placement on higher paid jobs or have better salaries and better jobs. We understand from research being done at the University of Melbourne that graduates on average earn something like \$380 000 above those people who do not have a tertiary qualification (that is, over their working careers). That sets a benchmark. If in general terms, for example, in this country we ought to meet the unmet demand — calculate that, you know, 18 000 effective full-time students, or EFTSUs — we would need to find an extra \$200 million plus across the system to inject into that. That is in general terms.

But also we need to understand that if we are going to be talking about the unmet demand in some cases, by field study or by discipline, it is not so much the unmet demand but people who are already in the system in certain professions who are bailing out and looking for other things. For example, in nursing and teaching often lots of people bail out of the system because they are disenchanted, so it is a loss there. The question then becomes: should we go on to train those people in other professions or other activities? That is just to illustrate that it is a really complex way to start defining unmet demand.

I also recall having discussions with Julie last year to the extent of saying often we talk about unmet demand but also there are demands that cannot be easily identified. We do not know, if people cannot get into a place, an institution, because they want to do a course, what else they are going to do. We do not know that or whether people are choosing to do short-term courses. It is a complex issue.

The other dimension of unmet demand is the issue or the notion about lifelong learning. People might not be able to do something now, but they might do something else. To have a career we keep doing different courses or study; no longer do we have a degree that will last for life. We need to keep going back to institutions or to keep learning.

The CHAIR — These are issues more pertinent to Victoria and New South Wales as industrialised states?

Mr CALDERON — Victoria, traditionally, has had high levels of participation in tertiary education. That is something that has to be recognised. Victoria, particularly, has a number of really good quality, recognised and

leading institutions. Other states, in many respects, due to the nature of their population are now catching up; therefore Victoria might be in the situation where the levels of access to funds to continue higher levels of education is not there.

Another dimension to that, adding to what you have just said, is the issue about how completion rates have dramatically increased over the past few years in secondary education. That has also led to the higher number of people who have tertiary education. I cannot remember when it was exactly but at one point in time 5 per cent of the Australian population had a tertiary education and now it has almost quadrupled in the last 20 years.

The CHAIR — In Victoria I think it is 82 per cent — the low eighties — with a target of 90 per cent.

Mr KOTSIRAS — As a follow-up to my first question about students who miss out on teaching or nursing and then decide to go into a TAFE and whether there has been an impact on the number of students who attend TAFE, you said that you will get those figures to the committee. Is it possible to advise us also — if that is the case — if that increases the number of students who take up a course in TAFE and what the state government could do to assist in the number of places for students to take up a course in TAFE?

Dr WELLS — Just let me check that I understand your question — —

Mr KOTSIRAS — What could the state government do to alleviate the problem of not enough places for TAFE students?

The CHAIR — As it relates to the higher education inquiry?

Dr WELLS — Potential displacement?

The CHAIR — You have addressed it in your inquiry.

Dr WELLS — Certainly.

Mr KOTSIRAS — You have also addressed a number of other issues that a number of other people have raised as well.

The CHAIR — Thank you very much for appearing. Hansard has recorded your evidence and a copy will be mailed to you within a week. Witnesses can peruse the evidence and make any minor corrections that are necessary to ensure the accuracy of the final Hansard record.

We have a few other questions of a factual nature, which have been prepared by our researcher. If you can respond within the time — —

Dr WELLS — We would be very happy to.

The CHAIR — Thank you very much, and good luck to RMIT.

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–31 October 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

Associate Professor T. Barnett, Head of Nursing, Monash University; and
Professor O. Kanitsaki, Head of Nursing, Royal Melbourne Institute of Technology;
Victorian and Tasmanian Deans of Nursing and Midwifery Association.

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

The CHAIR — Welcome. I wish 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

The normal way we proceed is for you to make a statement and present some information to the committee, following which we will open it up for questions.

Assoc. Prof. BARNETT — I will make a few statements and then Olga will make a few statements after that. Thank you for the invitation to come along and for making the time to see us. We would like to address primarily term of reference (c) on demand for teaching and nursing places from a higher education and university perspective. There are a few points we would like to make.

The first is that the demand far exceeds supply from our experience. In every university that conducts nursing in Victoria demand exceeds supply over the last three years using VTAC figures; and as you are probably aware, we are fairly sure that there has been between a 30 and 50 per cent increase in demand for nursing places in this state. We are not sure why that increase has occurred. We think we are doing a better job and it has become more attractive, but we certainly attribute part of that increase in demand to the state government's initiatives to publicise and profile nursing to make it more attractive to the public generally, so we think it has a higher presence and profile in the media through publicity campaigns, probably through the soaps that are coming out dealing with emergency and ED departments and all those sorts of things. That does have an impact.

We suspect in the post-graduate area as well the demand for emergency courses has increased and they become one of the most popular courses, along with midwifery; so we suspect the media does impact and positively influence from our perspective the demand for nursing courses. There has been a whacking big increase in the last three years, which we are not meeting clearly and unequivocally. I have provided Gabrielle with a few points that we would like to address, so I assume you have them in front of you.

The CHAIR — Yes.

Assoc. Prof. BARNETT — So maybe if I make a few comments. The first one is on student mix — the profile of students across Victorian universities. Our profile is very similar. We have a large mature age cohort; between about 40 and 60 per cent of nurses are largely mature age. They come from other disciplines, from other paths of life. They have had previous careers, and also a significant cohort are division 2 trained nurses, so we are capturing and recruiting a number of candidates who have gone through some sort of health education nurse training in the TAFE sector.

The CHAIR — For our information, division 1 and 2 are TAFE?

Assoc. Prof. BARNETT — Division 2 is TAFE, division 1 is degree qualified nurses. So the student mix is interesting, probably reflecting to some degree the demographics that we are heading towards in society generally. We are catering for an older age group, career shifts and those sorts of things.

Demand I have mentioned, which I think is the most important factor. Another dot point we have provided to Gabrielle is the quality agenda. I guess within the university sector you probably would have heard from presentations this morning that quality is important. Part of that is reflected in ENTER scores, or the required level to get into various courses across universities. Often quality of entrance is indicated by the ENTER score. The ENTER score for nursing is certainly less than for a number of other health professionals — medicine, physio, OT — so we suffer from an image problem to some degree, and we battle within our own institutions to defend the ENTER that we attract students to the course with.

Generally speaking ENTERs have increased in all universities for nursing over the last three years. Monash has a cut-off in the order of 75 to 80. Similar numbers can be reported from other institutions; so ENTERs are increasing. Our concern is that if you wish to maintain the supply of graduates and maintain the number of nurses in the system you have to recognise that 65 and 50 is not a bad ENTER — that you are not going to get 95, 99, all the time. So we are supportive of recognition of reasonable ENTER levels.

Prof. KANITSAKI — There is evidence to support that a band of 65 and onwards from 60 perform as well as the ones that have 90 and 80. They have done research to prove this.

Assoc. Prof. BARNETT — Total ENTER scores is not the best indicator of outcomes. We have some equity issues around that.

The Australian Council of Deans of Nurses produced a report, which I am sure the committee has and DHS has on Australian nurse supply and demand. The figures again, like other figures that are produced from bureaucrats and statisticians, are open to some debate, but we suspect Victoria is facing a shortage or has a shortage of between 300 and 700 nurses this year and in the next few years.

Our belief and our arguments suggest that that need will not be addressed purely by trying to entice retired nurses or nurses out of the work force back in. We suspect that the source is limited to some degree. I do not think there are a lot more nurses out there, so the strategy has to be, I suspect, to increase the supply from the education sector and put more graduates through.

As to relationships with TAFE, I understand that within the committee's terms of reference, I think generally speaking we have a pretty good relationship with TAFE, and certainly through the VUT university a stronger relationship than others. Most universities have an articulation relationship with TAFE nursing courses so that credit is provided and there is a fairly smooth passage in terms of credit recognition and recognition of prior learning between the TAFE certificate and the bachelor degree in nursing.

Prof. KANITSAKI — I would like to make a comment on that. The articulation pathways are there and they are clear. The opportunities, however, are not because of the reasons of funding. For example, we had last year 1000 division 2 nurses applying to enter the course but we could only take 20. Why is that? Because they go to second year, and according to the funding formula and the funding that we require, we have to carry them without extra money. For example, in 2001 we had about 60 students of division 2 nursing who would finish two years after that — we give them one year advanced study. The university actually had to cover that expense with \$250 000. Now we cannot go on every year having to pay \$250 000 to produce 60 nurses extra. That inevitably affects how many you will accept to articulate. The issue is: the pathways are there, the programs are there, the credits are there, but the funding is not there.

Assoc. Prof. BARNETT — Thanks, Olga. We are concerned as well about the more recent federal issue of penalising institutions for overenrolments. But it is relatively difficult to do a prediction on total load versus intake and levels of attrition, so I guess receptive to the need for nurses in this state most institutions have tended to overenrol. That has got us thinking very seriously now that if penalties are imposed for over enrolment we have to be more cautious than generous in terms of calculating intake numbers. So we have some concerns and worries about the federal government's initiative in this regard. If it is okay, with your permission Olga will read a written statement that she has prepared.

Prof. KANITSAKI — Thank you for having us again; we appreciate being here. The deans of nursing recognise that there is a global nurse shortage but not necessarily a scarcity. The issue is not that universities do not prepare graduates adequately for the work force. It is very easy for people to name, blame and shame universities. Our own research, which at the present moment is in the process, and research generally clearly indicates that of the most significant factors that influence retention of new graduates is the culture of the organisations, which in itself is influenced by many other factors. Some of those are: shortage of staff; increased workloads; the severity and complexity of illness and disease that nurses have to deal with nowadays compared to 10 or 15 years ago; and the complexity of and the integration organisation of the teams themselves. We also believe that the model of nursing care that changed during the Kennett years had an enormous impact on how nursing is perceived at the hospital or at the bedside at the present moment. The case mix influenced nursing care — how the nursing care was provided and whether the nurses were able to provide care or tasks. This is an enormous issue.

Another factor that influences whether or not graduates stay is whether they have adequate clinical supervision, which again depends on other factors, such as whether the clinical teachers themselves are recognised and whether they have a career pathway to progress in their career. Research — and our own research — shows that all graduates with good clinical supervision make the transition in three to four months, and they are excellent nurses.

The universities are overwhelmed with applicants wanting a nursing career. For example, at RMIT we had 3100 applicants for this year for 134 places. Out of those were 1000 division 2 nurses who wanted to convert to registered nurses; and as I said to you before, we could only take 20. We have a feeling that we are going to have exactly the same situation this year. Our TER score also increased about 10 points. It used to be 60 to 65 and this year it was 74.9.

Why do division 2 nurses want to apply? Because they do not have a career pathway: they want to have a career pathway. Therefore, producing lower-level nurses does not necessarily mean they will stay where they are. We also know from the Margaret Bennett report, which she was commissioned to do and which I believe was produced in

2001, that we lose more division 2 nurses — which are the TAFE-produced nurses — than division 1 nurses from the health system, and they go to other jobs. The research is there, and it is available.

There are some people who hold the view that too many universities are offering nursing programs. I wish to point out that this view is flawed because it is based on comparisons made between medicine and nursing. Medicine, as you know, has far less graduates than nursing and therefore this does not stand; they have to compare it with how many nurses we produce, and of course localities and so on.

I am also concerned with some models of education which are popping up, which in my view — and in the deans' view — are eroding nursing education now that complexity, diversity and technological advances demand a better-educated rather than less-educated nurse. I am very concerned in particular as nursing education relates to ethnic or cross-cultural education and indigenous education. For example, we speak of an ageing society, and we expect that the aged in our society will increase as we go on. We know that the proportion of aged in different ethnic communities is increasing, for example, at a rate of 60 per cent to 140 per cent more than the mainstream society. Even though we speak about an ageing society, rarely in mainstream debates and literature do you see anything about the ethnic age, and that is of grave concern.

The ageing of the multicultural society means we need nurses who are more highly educated rather than less. As an example let me read you an excerpt:

A recent research study published in JAMA has demonstrated a positive correlation between the baccalaureate education of registered nurses and patient outcomes.

A baccalaureate degree is like a bachelor of nursing:

This study, undertaken by Aiken et al (2003) and believed to be the first of its kind in the world, involves a cross-sectional analysis of outcomes data for 232 342 general, orthopaedic and vascular surgery patients discharged from 168 hospitals in Pennsylvania in the USA. The study has found that in hospitals with higher proportions of nurses educated at the baccalaureate level or higher, surgical patients experienced lower risk-adjusted mortality and failure-to-rescue rates (i.e. deaths in surgical patients with serious complications). The researchers found that 'a 10 per cent increase in the proportion of nurses holding a bachelor's degree was associated with a 5 per cent decrease in both the likelihood of patients dying within 30 days of admission and the odds of failure to rescue' ...

That is very impressive. I have an article here which I can leave for the committee members to peruse so you can make your own judgment. It is not only this article that has indicated those outcomes but further research is coming up. I think we need desperately to do such research here in Australia.

What we are saying is that when we look at the skills mix of the nursing work force we have to be extremely careful. We are really speaking about nursing making a difference to someone dying or living, not just about giving care, whatever that means to people — because it means different things to different people. Thank you, that is all I have to say.

The CHAIR — Thank you, we will take a copy of that article.

Ms BUCKINGHAM — There is absolutely no doubt that even nurses are recognising that. In Victoria we recognised the need for higher qualified nurses when we went from the hospital training system to the our current system. Of course, as you have already quite rightly pointed out, we have an ageing population but also a population with a higher expectation of the medical technology and drugs available to them, so you need highly qualified people to dispense those drugs and to look after us. Given that, I was really interested with the figures that you gave us about the number of second division nurses — I think the example you used was at RMIT — who want to articulate into the higher education sector and become nurses. If my memory serves me right, it was about a third of the overall applicants.

Prof. KANITSAKI — It was 1000 out of 3100 applicants.

Ms BUCKINGHAM — So approximately one third. Given that, the Nelson inquiry into higher education is recommending that in some way — and I am not sure how you do it anyway — you recognise these people who want to articulate and make them pay HECS so they are not using a backdoor into higher ed. I do not believe from what you are saying to me that nurses, at least a third of them who are choosing and want to go on, are trying to get in through a backdoor.

Prof. KANITSAKI — No, I do not think so.

Ms BUCKINGHAM — Would you like to comment on articulated pathways as proposed by the Nelson inquiry to make people who want to articulate pay HECS, even given the problem of identifying who those people are? It might be easier in nursing because you are saying to us that a lot choose to do it.

Prof. KANITSAKI — A lot of young people may not have the marks to get into the courses, there is no doubt about that, but I would not generalise. I would say that a number of them simply because we do not offer enough places in the higher university choose to go to TAFE hoping that they will get in that way, which you may say is the back way, but again it is because of commonwealth funding that there are not adequate places there to offer them so they can get directly into nursing, which they would prefer to do.

There is another way, of course, that we can alleviate that problem. If they recognise that specific issue then they can give specific money for those to articulate to the higher degrees. That is all I can think of. It could be a state and commonwealth corporate agreement, particularly if they require faster production of nurses because we have already, in other words, a pool of people out there who already have one year, say, of education, so they can finish in two years. The money is a critical issue; if we had the money! Also at RMIT we are starting to advertise for full-fee paying students. A lot of those people are middle-class and lower-class women who do not have adequate money to apply for that, so funding is an issue.

Assoc. Prof. BARNETT — If I could add to that, I think the TAFE university articulation arrangement that we have generally speaking across the state is legitimate and quite proper.

Ms BUCKINGHAM — So do I.

Assoc. Prof. BARNETT — I do not see it as a backdoor, underhand way to get into baccalaureate education at all. We value it and think it is important. The unfortunate thing is that of all those people who want to do certificate IV at TAFE a reasonable proportion would have wanted to do a degree course, so we are doing some duplication. We are not handling the training issue very sensibly. It is a second-best option, which is probably not the best option for most of those people in the long term if you want baccalaureate-qualified people in the work force. I think I have paraphrased what you have said.

Ms BUCKINGHAM — Is there any statistical evidence? Have you looked at the number of people who have come in through training in TAFE and then gone on to get a degree, and their success in getting a degree and going on to full employment? Do the deans keep figures on that so we can make some comparisons about those different pathways into nursing?

Assoc. Prof. BARNETT — I will give you an example from the rural sector. The information we have from Monash at the Gippsland campus suggests that the division 2s who do our degree tend to remain locally and work locally, so there is a great advantage for these mature age people, largely women, to train later because their family, networks and support structures are there. Therefore employers encourage, support and believe it is a good strategy for addressing rural health work force needs. They do stay there and work.

Prof. KANITSAKI — It is the same experience we had with RMIT in Sale and Hamilton — the mature age entrants and division 2 nurses stay in their local area and they perform exceptionally well.

Mr KOTSIRAS — Olga, you said there was a shortage of nurses. If there was an unlimited number of nurses or nurses were able to change from division 2 to division 1 or from a TAFE course to a degree course, is there the work out there? Will the health system employ them? Has the health system got the positions and the money to be able to employ them once they have completed whatever they wish to complete?

Prof. KANITSAKI — Good question. There are two issues: whether you have the money and what the demand is. I believe the demand is there. Whether the money is there is a different issue, and I do not believe the money is there.

Assoc. Prof. BARNETT — It also depends on how you spend the money, the bonuses you give to your chief executive officers in the health sector and other issues. For heaven's sake, if you want to improve health care outcomes you need to invest in your health care work force appropriately. We would argue the appropriate deployment of resources is in degree-qualified nurses.

Prof. KANITSAKI — It is also how we deliver that care and how many layers of management we need really to deliver what we actually need to get to the core, the grassroots, as they say. The more layers you have the

more money goes elsewhere — communication, support and all of that. But who is doing the work; this is what I am concerned about? It is across the board like that; it is not just the hospitals. It is how we deliver care as well.

Ms MUNT — Your submission has been interesting. It seems extraordinary how wrong the balance seems to be when you say there are 3100 applicants for 134 places and we are 300 to 700 nurses short in Victoria. You also said that the equivalent ENTER for entry into nursing has gone up by 10 points.

Prof. KANITSAKI — In our university it went up by 10 points.

Ms MUNT — It seems to me there are extraordinary pressures on meeting the demand and ensuring the supply. I am also interested in how the changes to commonwealth funding will address that, and in particular do you have overenrolment in your courses and will the changes to that be affected?

Assoc. Prof. BARNETT — If I could comment first, we were very disappointed with the federal government response to the reviews in nursing education. They identified that there was a shortage of nurses across the country and made a decision they would allocate X amount of places to various states. Victoria did very poorly with that allocation, with 60 places out of the hundreds that were available. None were allocated to either Olga or me in the east of the state. There were rural places to the north and to the west but not to the east. So there were no allocations to RMIT with a large presence in the east or to Monash, which also has a large presence in the east. So we were feeling a little chagrin about the allocation of those places. Whilst there was a federal government response it was insufficient and inappropriate in terms of how the decision was made. So the state is faced with the problem that there has been federal as well as state recognition that there is a shortage but the response just is not there, if an appropriate response is to increase the number of graduates we produce. We think that is a component of the solution.

Prof. KANITSAKI — Another issue here is the clinical aspect of nursing, which is almost 50 per cent of our program anyway, and most of the programs. What we do know is that we have to pay for the clinical. In 1985, when nursing was moved to universities, they calculated a formula by which the government would fund nursing across different universities. That was based on the wages in 1985. That formula has not changed, yet the wages of the clinical teachers have gone up enormously, so the clinical teaching is costing an enormous amount of money.

Ms MUNT — It is nearly 20 years.

Prof. KANITSAKI — Exactly. But then again I can understand the universities because the federal government is reducing the funding every year. So they have to somehow juggle it around and satisfy the needs of different professions. However, having said all that, I know that the federal government has given some specific money labelled for clinical teaching for nursing. Hopefully that will help — as long as the hospitals do not start to say, ‘Well, you have more money now; give us more’. I think that is an enormous problem, and we have to deal with it in balance. If you have a program in universities with 50 per cent of clinical and it is costing too much then we have the pressure of reducing the clinical for economic reasons. We do not want to do that.

Assoc. Prof. BARNETT — Did we answer all your questions?

Ms MUNT — Yes, I think that has explained it. Thank you.

Ms ECKSTEIN — I would like to explore the overenrolment issue a bit. Could you identify which institutions and which nursing courses are particularly affected by overenrolments, and what will be the impact on those courses if those places are not converted to full places? Are any of those courses at risk, for instance? If so, which ones?

Prof. KANITSAKI — I can answer that. We, for example, had an extreme overenrolment in 2002, and we had to cut that. This is why we ended up with 133 places this year. The federal government, as you know, allows only 2 or 5 per cent of the enrolments to change their minds. You have to have a very well-balanced act to be able to judge to 2 or 5 per cent of the enrolment, otherwise you will be penalised. The universities could not possibly cope with that overenrolment, again because of financial reasons. Every school, not just nursing, has to be extremely careful how it deals with overenrolments. We really are not permitted to overenrol excessively.

Assoc. Prof. BARNETT — We are not aware of any school or course being directly under threat because of potential overenrolment.

Ms ECKSTEIN — We have heard from institutions that their very institution may be under threat if they do not have the students.

The CHAIR — Some of their campuses.

Ms ECKSTEIN — Their campuses are under threat. I was just wondering if there are any particular courses that have large overenrolments and therefore there may be a question of viability of that course?

Assoc. Prof. BARNETT — If you look at Olga's case, which is probably the most glaring one in this state, Olga was allocated an X amount of load and with overenrolment that X amount of load still had to be met and filled. If you overenrol it reduces the number you can take into the first year. I guess the issue within the overenrolment penalty debate is that your first-year intake may be smaller than you perhaps would wish and may not be as viable as you would wish it to be.

Prof. KANITSAKI — That is right.

Assoc. Prof. BARNETT — I understand that in smaller campuses where the net enrolment is smaller it could be a threat, but I cannot speak for the other universities directly on that.

Prof. KANITSAKI — Yes, that could be.

Ms ECKSTEIN — Does that reduced number in the first year have any impact, with the people who cannot get in going to TAFE and trying another way?

Prof. KANITSAKI — Yes.

Assoc. Prof. BARNETT — Exactly right. It pipelines through to less graduates and puts demand on other educational institutions.

Prof. KANITSAKI — That would also have an impact on the work force, of course, because three years down the track you will not have as many nurses. Let us say that now in the state we are 500 — I believe it is 1000 — short per year. If you have a reduction in a number of universities then you will not produce even 300, versus 500. So the demand will be greater because you have not produced even the lower expectation of nurses.

Mr KOTSIRAS — Have you got data which shows the number of people who cannot get into higher ed going to TAFE?

Assoc. Prof. BARNETT — Who get turned away from higher ed and go to TAFE?

Mr KOTSIRAS — Yes.

Assoc. Prof. BARNETT — We have VTAC numbers on how much demand there is across preferences from first to total preferences. We know that has increased and the proportion by which it has increased. We know how many we take in, and we would have to assume that of the net at least some of those would go to TAFE.

Mr KOTSIRAS — That is assuming that of the ones who miss out?

Assoc. Prof. BARNETT — Yes.

Prof. KANITSAKI — The universities may have that data. I certainly am not aware of it, but they may have some data. We need to look to see whether it exists.

The CHAIR — I have just a few questions. I want to go back to the overenrolment issue. I think you indicated that the final changes that are occurring in overenrolments will come in in 2008 or 2006?

Prof. KANITSAKI — No, 2005, I thought.

The CHAIR — The universities, with the lack of clarity of what is happening in the Senate with the legislative framework, have to make planning provisions. Does that mean that the numbers for next year, 2004, are probably a bit less than they would hope to be because universities are looking to 2005 and are probably a bit worried about the overenrolment situation not getting them and so are likely to reduce the load for 2004 just in case? Have I got that right?

Assoc. Prof. BARNETT — We would be sensitive to the fact that we are allocated a total load, and being fearful of overenrolment we would be very cautious about expanding our first-year intake next year. You are quite right.

The CHAIR — So next year is probably going to be a tough year for some students in trying to get into nursing?.

Assoc. Prof. BARNETT — It is going to be a worrying year in terms of selecting the best students with the greatest chance of success so you can make some forward projections with a great degree of confidence — that is really hard to do.

The CHAIR — Nursing is a highly regulated industry. It is not done as a generalist thing; it is regulated by the nurses board in terms of the number of hours of clinical practice needed et cetera. Is that correct?

Assoc. Prof. BARNETT — Yes.

The CHAIR — By its nature it is highly regulated, as least here in Victoria, through the nurses board. I understand there is always an issue — whether you do a division 2, or whatever — about the number of hours you do in clinical practice. The nurses board believes that you need to have a certain number to adequately train nurses before they go into hospitals, regardless of the quality of the academic provision. Is that correct?

Assoc. Prof. BARNETT — More or less.

The CHAIR — They have a set number of hours?

Assoc. Prof. BARNETT — The Nurses Board of Victoria provides advice on that and has a recommendation. If you want to vary that, you have to make the case. At Monash we operate on about 1000 hours of clinical.

Prof. KANITSAKI — The nurses board has clear guidelines which are flexible obviously, but it sets the parameters within which an academic program should be based. Basically it requires from 45 to 50 per cent of your academic content to be clinical. So half the course has to be clinical and the other half academic, whatever that is. For example, at RMIT we had 1200 clinical hours and because of economic pressures we have had to reduce it to 848 hours. I would not like to see it further reduced.

The CHAIR — Is that acceptable?

Prof. KANITSAKI — That is within the guidelines, but I would not like to see it further reduced because of economic restraints. This is what I was referring to earlier about the clinical issues. It is a very important area.

The CHAIR — I guess that leads to two questions. One is the cost. It is surprising that such a costly course would be overenrolled. If you are getting \$3000 that is not much dough for a nurse who has to do so much clinical provision. The second is, if there were to be more funded places for nursing to meet demand — we have heard there is demand of 40 000 coming forward; I am not sure if it was you or RMIT who said that — is there the clinical provision out there to train those nurses in hospitals, to get that training? Is it an issue in some country areas, for instance, where there might not be the provision but there is demand? I wonder if you could comment on that issue.

Prof. KANITSAKI — It is quite clear that in the metropolitan area we can find clinical places. Let me go back a minute — I do not think the course is costly; I think it is funded at the wrong level. If you really talk about costly courses you should look at medicine and how much it costs versus nursing and how many nurses will pursue it versus doctors and you find that it is actually a very cheap course. It is the funding that is the issue.

Coming back to the clinical, in the rural areas it is difficult. It will cause problems with clinical because there are not adequate clinical places available in hospitals and communities even though you try to do that there would be limitations to how many students you could accommodate in that area. However, in the metropolitan areas I believe we do still have adequate flexibility or there is adequate room to increase the student intake. For example, at RMIT in 2000 we had a total of 870 students and we found clinical places for them. The next year we had 565 students.

The CHAIR — That is a major drop.

Prof. KANITSAKI — Yes, we were overenrolled.

The CHAIR — Have I got that right? Next year you will have 300 less nursing places?

Prof. KANITSAKI — That is right. What I am saying is we found clinical places for the 870 we had.

The CHAIR — You really do need some resolution to the overenrolment issue fairly quickly.

Prof. KANITSAKI — The number of places is really entirely dependent on funding, and the decision is made by the federal government as to how much money to give. The university has to make the best decision it can. It is under enormous pressure.

The CHAIR — So is the health system?

Prof. KANITSAKI — Absolutely.

Assoc. Prof. BARNETT — If I could provide a brief response adding to Olga's comments, clinical is a problem. There is no doubt about that in terms of placing students in clinical agencies, especially where the agencies are understaffed, have less experienced nurses and a skill mix that works against good education. Some institutions are not the best educational learning environments in which you would want to place students. That is compounded by the shortage and the lack of division 1s in the agency. It is a real catch-22. Yes, we can accommodate more students but finding clinical placements of good quality is always problematic.

We are always on the look out and trying to develop relationships with clinical agencies that are more supportive, that are more genuine, that allow them to have an investment in the student's education. We are talking more about a partnership investment in terms of a graduate's education and subsequent employment rather than a one-way university investment in their education. I think that is critical. It is around that sort of dialogue that the future of the solution to clinical problems lies.

The CHAIR — So you need consistency. If you go up and down, every time you go down the next time you go up you have to suddenly try and talk and get the places out there, which is harder.

Assoc. Prof. BARNETT — Yes.

The CHAIR — I have one final question, I am not sure if anyone else does — La Trobe is a bit late in coming. You indicated that 40 per cent to 60 per cent of nurses seeking entry are mature students — that is my word. We have heard from other institutions that one of the issues facing higher education is the demand from school-age leavers — under 19s — but with an increasingly technological work force, improved technology and improved practices there is also the demand to re-educate people.

Nursing is pretty simple. You have the demand from young kids leaving school wanting to do nursing because there are a lot more jobs out there, and then you have the older work force members who want to upgrade their qualifications to go into more advanced nursing or simply because they need to now. How do you balance that up given that you have such large demand from school-age entrants? How do institutions balance that quandary between older workers needing it and younger school leavers wanting their first chance?

Assoc. Prof. BARNETT — With great difficulty given the number of calls we get from disgruntled people who do not get in — parents and sons or daughters of applicants who want to get in. It is really difficult. I guess we try and establish criteria. One of those criteria is to work within a framework that is not ageist or sexist, so we accept mature-age people on merit, but also to have some sense of the proportion of demand from the various groups — recognising that if there is a large demand from a mature-age cohort then we have to take a reasonable proportion of them as well as school leavers.

The CHAIR — What would it be? How many would come in with an ENTER score and how many would be mature-age people coming into the institutions — 10 per cent, 20 per cent?

Assoc. Prof. BARNETT — I do not have those figures with me. I only have a reasonable knowledge of first preferences, not across all preferences. We know that about half the demand is mature-age applicants. Olga has given you some statistics that one-third of her total preferences are division 2s — there would be another 5000 mature age on top of that. We think we have it more or less right if we are looking at proportional intake. Whether it is the way to go —

Prof. KANITSAKI — The university does set certainly proportions and we follow them very strictly — disadvantaged, non-English-speaking background, indigenous people, mature age. They have very strict criteria.

The CHAIR — Thank you very much. I think that has been very illuminating for us. You will get a copy of the Hansard within a week for you to make technical changes to for the final proof Hansard. Thank you very

much for coming. We might have a few questions which our researcher prepared but we did not get to. If you would be happy to give us a bit more information if you can, we will forward them to you.

Prof. KANITSAKI — Would you be interested in the article?

The CHAIR — Yes, thank you. That will be incorporated. Thank you.

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–31 October 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

Professor G. McDowell, Deputy Vice-Chancellor, La Trobe University.

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

The CHAIR — Our next witness comes from La Trobe University. I welcome Professor McDowell, deputy vice-chancellor. All evidence taken by the committee, including submissions, is subject to parliamentary privilege and granted immunity from judicial review pursuant to the Constitution Act and the Parliamentary Committees Act.

Welcome to the committee. The way we have been operating is to enable institutions or witnesses to give a statement — we have your submission, thank you — and then we open it up to questions. Would you like to open up with a statement?

Prof. McDOWELL — All that I needed to summarise is in the document that you have in which I have tried, briefly, to address the issues that I understand to be your terms of reference.

The CHAIR — You have also just tabled the submission. We will have a quick look at it and ask you some questions. I will start off. La Trobe is, of course, a fairly new university.

Prof. McDOWELL — Fairly new?

The CHAIR — Relatively speaking, compared to Melbourne and so on.

Prof. McDOWELL — If you want me to be, I will be slightly flippant but also serious. La Trobe is actually Victoria's oldest university. It traces its history back to the Bendigo School of Mines, which started in 1854.

The CHAIR — Okay then; well done! In the information you have given us, you have talked about demand. You operate mainly in the northern suburbs, do you — that is your main load?

Prof. McDOWELL — The main campus is based in the north-eastern suburbs at Bundoora. The university conducts six regional campuses in the northern sector of the state, I suppose you could say — in the north-west from Mildura, to the north-east at Wodonga, from whence I have come this morning. We have a campus at Shepparton, a fairly large one at Bendigo in central Victoria, a small specialist campus at Mount Buller and an even smaller and more specialist campus at Beechworth. We also have a city presence.

The CHAIR — You have been following closely the 1996 changes to the Higher Education Act which are before the Senate?

Prof. McDOWELL — Proposed changes.

The CHAIR — Yes. Perhaps you would like to start off by clarifying to us how that will impact on La Trobe University, given its history.

Prof. McDOWELL — In what sense do you wish me to clarify it? In terms of student numbers or in other ways?

The CHAIR — In terms of student numbers, in terms of the changes to the student support structure, in terms of the fee-paying places, would be a good start.

Prof. McDOWELL — I will start with the latter first. La Trobe hitherto has had a policy of not charging fees for undergraduate students, and that policy is now probably 10 or more years old. It was reiterated relatively recently by the council. Under the Nelson proposals that might be revisited, we do not know. There has been no decision made at the university.

The other proposal that is before the Senate at the moment, to which you adverted, is that the university will have the opportunity to increase the amount of HECS that is imposed on students up to 30 per cent above a fee that is set — and I am sure you know the statistics in terms of the different bands of HECS that will apply. Again, the university has not made a decision on whether it will accept that invitation, if indeed it is enacted. I guess there is a feeling that it will be hard not to, because it is necessary to bring into the system additional revenue. But I reiterate that that decision has not been made.

The CHAIR — What about student support changes; perhaps not just what is flagged but past changes? Has that had an impact on student population or demand?

Prof. Mc DOWELL — We do not know yet; it may. Again, it is hypothetical. It may well make it a little easier for some students who can show that they need support to access that support through loans, but again the final outcome of the proposals has yet to be devised. Perhaps the other part of the question that you asked was how it will affect us in terms of student numbers. As a base statement, the university, in common with most, is overenrolled. We are probably the most overenrolled in terms of percentage of all Victorian universities. Nearly 11 per cent of our student population represents over enrolment. If the Nelson reforms are enacted, we will be restricted to being no more than 5 per cent overenrolled.

At the moment we receive a small benefit for being overenrolled. In round terms a student brings to the university as part of the fully funded load about \$10 000. Students which constitute that portion which is over the funded load brings to the university about \$2500. So there is some financial reward. The university, however, accepts as part of its responsibility making access to higher education easier, particularly in the regional areas, and the bulk of our overenrolment is in regional Victoria. Nearly 500 places, of the 1100 or 1200 in total, are at Bendigo and are a result of overenrolment; and at each of our regional campuses there is an overenrolment.

In part that reflects the high demand from those areas, and in part it reflects the recognition on the part of the university that there is a genuine need and demand, and that people from those areas cannot easily access higher education outside the regions in which they live for all sorts of reasons. Some are financial, some are family or religious reasons; there is a whole raft of reasons. So if we are to comply with the Nelson reforms that will mean, at least as it stands at the moment, 600 to 700 students fewer that we will have at the university. The other impact will be a funding one. If we overenrol we will be rewarded to the tune of 1 per cent overenrolment, and anything beyond that, we will take them with no financial reward. If we exceed the 5 per cent we will be penalised.

The CHAIR — I might just continue that question. You have just said, essentially, that La Trobe University, because of its commitment to regional provision and to demand, has overenrolled quite substantially at a reduced base, with 500 or so at regional campuses.

Prof. McDOWELL — More than 500 at regional campuses. There are nearly 500 at the Bendigo campus.

The CHAIR — On the figures I have done from the information, essentially that is about 15 per cent of your Bendigo, Mildura and Shepparton campuses?

Prof. McDOWELL — It would be of that order on those campuses.

The CHAIR — If you do not get replacement numbers back, do you believe you will need to reduce the numbers by that amount?

Prof. McDOWELL — We will be forced to reduce the numbers; unless we want to pay a heavy financial penalty.

The CHAIR — Do you not have the capacity to shift load?

Prof. McDOWELL — Not easily, no. I guess a feature of La Trobe University, wherever it operates, is that it is providing for people where either access to higher education is restricted or where there is a poor history of attendance at higher education institutions. So the northern suburbs of Melbourne have among the lowest participation rates of students from metropolitan Melbourne; and the regional areas where we are operating have both a low participation rate and a low access rate. Simply there are a limited number of places, and I am sure you have seen the statistics. It is as low at Mildura in the Sunraysia as about 200 places for every 100 000 of population. In metropolitan Melbourne it is in excess of 3000 places, so there is an enormous gap in terms of the ability to access higher education locally.

Ms ECKSTEIN — Just following up on the overenrolment issue, and particularly those regional campuses, 500 places out of a campus is a huge amount. What are the implications for the viability of particularly that campus, but other regional campuses as well?

Prof. McDOWELL — The campus is perfectly viable at whatever level we set, and indeed the overall enrolment is in part unplanned. It is part planned on the part of the people who serve the university at Bendigo, and they would argue it is in recognition of the very high demand, and the straightened circumstances that many people from central Victoria face. So they have deliberately allowed an overenrolment, which is well above the university's comfortable tolerance level. At the smaller regional campuses we have tolerated it because 10 or 15 in a small population is tolerable; but 500 out of a total population of about 3000 is not so easy in the long term to

sustain. So come what may I imagine we would have had to draw back from the 3000-odd students at Bendigo to a number closer to the target. At the moment the target is just on 2700 students.

Ms ECKSTEIN — Because we have heard from other institutions that some of their campuses are at risk.

Prof. McDOWELL — No, in the case of Bendigo I do not believe the campus would be at risk. What is at risk is the people — access for those people who are taking advantage of the fact that the university is being, in part, generous.

Ms ECKSTEIN — And you mentioned the high demand in that area.

Prof. McDOWELL — Yes.

Ms ECKSTEIN — Is that also going to be affected by the increased retention rate of students to year 12, which is — —

Prof. McDOWELL — Yes, I believe it will. As more are coming through the system there will be an increased demand for places, yes.

The CHAIR — So what will happen to those students who miss out?

Prof. McDOWELL — Your answer is probably as good as mine. Some of them will seek alternate avenues, and that is one of the areas you have addressed in the questions that you have asked. TAFE is another option as a stepping stone to a university career, or opportunities elsewhere. We can speculate what they might do, but who would know?

Ms MUNT — I have quickly read through this, and a lot of the area of this has been covered, but I would just like to say that I find it very concerning that the regional campuses will be affected in this way, because it has a further impact of course on the regional areas and all the students in the regional areas who probably will not get a place. Then it keeps on snowballing along. It states:

It will be necessary for the first two or three years to reduce first-year enrolments until the second and third-year students graduate ...

So it is not just going to be a one-year thing, it is going to be ongoing.

Prof. McDOWELL — It has a long life.

Ms MUNT — It is going to be an ongoing problem for all the students in regional areas who do need to access an education. Of course, if they do not access that education it goes on further; this in turn contributes to the acute shortages of professionals in respective professions. So it seems to me a very critical situation and certainly causes me concern. If this goes ahead and the overenrolled places are to be further allocated away from Victoria, will these numbers become more acute?

Prof. McDOWELL — In the short term I expect they will. In the longer term it will stabilise, I suppose. The biggest impact in the short term, if the Nelson reforms or the proposed reforms come into place, is that we and indeed all universities will be forced to meet the targets that are set. The only way we can easily do that is to reduce our first-year enrolments. So for the next probably three or so years we will be forced into taking fewer first-year students to meet those targets. We simply cannot stop servicing those that are already in the system.

Ms MUNT — So the ENTER scores will increase again?

Prof. McDOWELL — I expect so.

Ms MUNT — I know they increased substantially for entry this year, so they will further increase?

Prof. McDOWELL — Yes, they will further increase.

Mr KOTSIRAS — Do you see a role that the state government can play to assist La Trobe University, especially in the regional areas, to meet unmet demand?

Prof. McDOWELL — Well, the issue is really the state government batting hard with the federal government to gain extra allocation of places into the state of Victoria. Of the 25 000 that are in the Nelson package

to be made available from 2005, we would hope — and I guess all the institutions in Victoria would hope — that the state government will be battling hard to obtain a proportion of those so that the very clear unmet demand in the state can in part be soaked up.

Mr KOTSIRAS — Do you see any role in their providing some financial assistance?

Prof. McDOWELL — The state government has the opportunity to, but whether it is prepared to — in the past, 10 years or so ago now, the state government funded a number of places in part recognition of the needs for more places in the system.

Ms BUCKINGHAM — Professor McDowell, as a grateful graduate of La Trobe University, I have always philosophically admired the university's stand on full-fee paying students. You commenced by talking about the fact that you might have to revisit that in the future. I am wondering — and I asked the same question of Deakin University earlier today — how the forecast Nelson changes will impact on the competitiveness of La Trobe University in Victoria, or even perhaps with the major eight across Australia. Will it force you into a position to reassess what has been your stand until now? I also add: not just in full-fee paying but perhaps in a potential top-up of potential HECS places?

Prof. McDOWELL — Let us start with HECS. The jury is out on HECS, and there is now a relatively recent report that HECS is not a major deterrent for students wishing to access higher ed. I guess there are arguments for and against that, there is a recently released a report from Canberra that purports to demonstrate that the impost of HECS is not a major deterrent. There is equally evidence at the other side that the impost of a HECS debt is a deterrent for all sorts of reasons. I guess the jury is really out on that.

The issue of full fees is one that really has not been tested. It has been possible for all universities in the country to ask students, once they meet their funded load, to charge HECS for most courses. The ones that are excluded at the moment, or the one that is excluded at the moment is, I believe, medicine. But under the Nelson reform proposals, medicine would be one of the courses which was included and probably one in which there would be strong demand for access. In our institution there are a number of courses which would be in strong demand if we were to accede to taking more students for a fee and not expect that in — —

Ms BUCKINGHAM — Health science?

Prof. McDOWELL — Several of the health science courses would be in that category. Law would be in that category. Perhaps some of the business and IT courses would fill that bill, and maybe, because of the identified shortages in teacher education, maybe that is another area;— but that would be excluded at the moment under the Nelson reform.

Ms BUCKINGHAM — It is excluded, as well as nursing?

Prof. McDOWELL — Yes. So there would be a number of courses for which there is potential demand. We certainly have not tested it and literally have not done the homework to see whether it would be realistic to do. You commented philosophically that the university has adopted that stand. To be fairly blunt, the opportunity to charge fees for courses has not been a brilliant success. Of the nearly 700 000 students in the nation not even 10 000 are prepared to pay a fee to go and do a course of their wishing, so it is a little hard to see how it now might be possible to take 50 per cent above load.

Ms BUCKINGHAM — I suppose, Professor, I am also thinking in terms of students, because in my previous position I was a careers counsellor in the secondary system. Students often equate university ENTERs with how good the course is — quite incorrectly. If it has a high ENTER it must be a good course; some think that.

Prof. McDOWELL — It is a surrogate for quality.

Ms BUCKINGHAM — In my profession I went to a lot of trouble to dissuade them from thinking that. But we might also fall into that same black hole with, 'Oh, if it costs more to do the course, if the HECS is higher to do course A at Melbourne University or Monash, and it is slightly cheaper at La Trobe, then therefore the Monash and Melbourne courses may be better'. In a competitive sense La Trobe might be pushed into having to reconsider what it charges, instead of what it should be based on — perhaps equal opportunity and egalitarian issues.

Prof. McDOWELL — That is a possibility, but I think increasingly, and perhaps because of the efforts of people such as yourself, that the student cohort is now becoming much more discerning and selective in the way in which it identifies which way it wants to go. It is no longer universal that students choose one or other institution

because of a reputation; they choose it because they have demonstrable evidence that the course they want to do is the best one available to them. We see that — and all universities would see that — at open days where the students who come and express interest in our courses are very targeted in the information they are seeking. But it is possible that what you are saying will continue to flow on.

The CHAIR — Can I just go back to that, back over the situation: I have just read your submission here again and looked at what you said earlier in your letter. You have 500 to 600 places, probably about 500 at Bendigo, mainly Bendigo — and could I just say that I congratulate La Trobe on its commitment to Bendigo. You have done a fantastic job and given it a lot of prominence in recent years, and there is a lot of excitement out there about La Trobe and Bendigo, that's for sure. But I was just looking here where you say there are 500 or 600 less in the short term — two to three years — and it will have the most impact upon commencing students.

Prof. McDOWELL — Unequivocally.

The CHAIR — That raises the question: you have a few thousand — 3000, I think, at Bendigo for instance — and how many out of those are commencing students?

Prof. McDOWELL — Roughly a quarter would be commencing students.

The CHAIR — So in fact, if you have to reduce them it will not be 15 per cent, because that is the total — you will reduce your intake by about a quarter?

Prof. McDOWELL — No, a quarter of our student cohort — between a third and a quarter — are commencing students in any one year. So if you take the faculty that is based in Bendigo, I think the actual figure for the target load for that campus — and this is the negotiated target within the university and with DEST, the commonwealth department — is 2691. That is an odd figure, but that is the figure that has been derived, so let us say 2700 is the target figure. The actual enrolment as of about now, or I think at the census date, which was the last day in September — the second semester census date — was something like 3100. We were about 400 overenrolled, and we are carrying those students. If we are forced, under the Nelson reforms, to reduce our enrolment to 5 per cent over the enrolment we will not have to reduce our enrolment by the total 400 or 500 at that campus; it will be towards half of that number. So there will be perhaps 200 places less available if we are prepared to continue to carry those students for no financial reward — and that is the rub.

The CHAIR — And that does not come off your total, or your total funded loading; it comes off your first-year enrolments?

Prof. McDOWELL — Well, it will have to, because we are committed to the students who are already there.

Ms ECKSTEIN — So what is the percentage reduction in first year? Are we looking at a 50 per cent reduction?

Prof. McDOWELL — It could be as much as that, but again it is unlikely — well, we are told it is unlikely — that that will be imposed in one year. We will have to work back our enrolment.

Ms ECKSTEIN — Because you will carry some of it for a bit?

Prof. McDOWELL — No, they will allow us to carry some of it, because they are worried, I believe, about the impact on first year enrolments.

Ms ECKSTEIN — It is still pretty drastic.

Prof. McDOWELL — Yes, it is.

The CHAIR — It quite amazes me that the Bendigo campus — and Bendigo is a growing area; it is affluent, the schools have a lot more — —

Prof. McDOWELL — Bendigo is not unique in that regard.

The CHAIR — No, but I just looked at your form, and it says that your funded load in 1994 for Bendigo was 2824; in 2004 — 10 years later — it will be 2718. So despite the fact that year 12 completion rates and

demand for universities have gone up enormously, and Bendigo is a growing and kind of thriving place, your funded load is actually reduced there.

Prof. McDOWELL — The funded load of all southern Australian universities was reduced by 6 per cent when Amanda Vanstone was federal minister for education, commencing 1996 or 1997. So we — La Trobe University — lost 6 per cent of our funded load. We took a policy decision at the university that we would as best we could protect the regional places, so most of the funded load that we lost was lost from the metropolitan campus.

The CHAIR — My final question to you is basically on one of our issues. We are a Victorian committee, so the issue comes down to national funding allocations — the cut between the states and how the places are done. As you are more than aware, the model has changed from a demand model back a couple of decades ago, I guess, to one of essentially participation rates. So a lot of funding that has gone into higher education, regardless of the 1996 budget, has been shifting from the southern states in terms of their demand to the northern states to raise the participation rates there. Part of what we need to grapple with and advise the Victorian government on, or the Parliament on what we think should happen in terms of negotiation is: is that a fair system? Is the current allocation in place a fair system? We know there is debate about whether it should be on participation rates — and of course Victoria has the highest unmet demand — or whether it should be on year 12 retention, for instance, as a measure. Or whether it should be on a combination of things, including how industrialised a state is — you know, how technologically advanced it is. Does La Trobe have any comment on the national allocation method?

Prof. McDOWELL — Yes.

The CHAIR — For a sustainable future.

Prof. McDOWELL — Well, whether it is sustainable or not.

In response to an invitation to make comment we have committed to writing to the federal government that it would be appropriate having identified — and they have — two areas of absolute need, being teaching and nursing, that there must be demographic figures to know what number of extra teachers and nurses are needed into the future. There must be that information; I have not seen it, but I am sure it is basing its estimates on such information. That then ought to be transmitted back to the states; there ought to be a figure known for how many extra teachers and nurses are needed in the state of Victoria. It would not be unreasonable for a portion of those 25 000 additional places that are there to be used to meet the demands on a proportional basis across the nation. But I understand that none of the states can agree on that.

The CHAIR — Regardless of the 25 000 do you think there is a case for relooking at the total: (a), looking at funding for higher education for Australia or —

Prof. McDOWELL — Sorry?

The CHAIR — Do you think there is a case over and above the 25 000 —

Prof. McDOWELL — I am sure that —

The CHAIR — On the enrolment issue, there is a case for a rethink, as was done some time ago, about the need —

Prof. McDOWELL — Also foreshadowed in the Nelson reforms there are two proposals. The first is to allocate the 25 000 overenrolled places in a way in which is yet to be — it probably has been determined, but it certainly has not been adumbrated; and that is what you are alluding to, and they are the places you are alluding to. I have given you my view, which was transmitted to the federal government, that at least a portion of those — a fairly high proportion — having identified two areas as areas of shortage, there ought to be a pro-rata distribution across the states to meet those needs for teachers and nurses in the various states.

That would almost certainly leave a number beyond the number of teachers and nurses that are needed, and they ought to then be distributed, in my view, in proportion to the overenrolment that is there. The overenrolment surely recognises, or is a symptom of, the demand for places at the institutions, so it would be reasonable to distribute the remainder of the 25 000 in proportion to overenrolment. In addition, within the Nelson package there is the prospect from 2007 of additional places being allocated across the system. Now there is no mention in either of how those places will be distributed or divined as to where they might be distributed to.

The issues, the arguments you have adverted to, are well worth rehearsing. There is a lot of unmet demand in Victoria, and I think that is now unequivocal and accepted. Equally, there are probably legitimate claims on the part of not only the northern states — I believe Western Australia has its hand up for allocations as well.

The CHAIR — Thank you very much, Professor McDowell, for coming here. I know you are very busy, and it is much appreciated. We probably do have a few questions of a technical nature, which our research officer has prepared, which we did not get to. Would you be prepared, if we sent them to you, to have a look at them and perhaps provide information?

Prof. McDOWELL — That is fine.

The CHAIR — Thank you very much, and I wish you well, particularly with the technology park that you have out there at La Trobe. I have had a little bit to do with that in the past; it is terrific. Is it going well?

Prof. McDOWELL — Bundoora is going very well. It is essentially full; it is not full, but I think that has been a success story, and La Trobe probably has led the way across the nation in terms of the success of its R & D park.

The CHAIR — Absolutely. Thank you very much.

Prof. McDOWELL — Thank you all.

The CHAIR — The Hansard transcript will be available within a few days and you will be able to correct any other errors before it is finalised.

Committee adjourned.