Ms Karen Ellingford  
Executive Officer  
Education and Training Committee  
Parliament House  
Spring Street  
East Melbourne

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**RE: NTEU Submission to Parliament of Victoria Education and Training Committee**  
**Inquiry into geographic differences in the rate in which Victorian students participate in higher education**

March 17 2008

Dear Ms Ellingford

The National Tertiary Education Union (NTEU) represents approximately 26,000 staff employed in Australia’s higher education industry. The Union welcomes the opportunity to make a submission to the Victorian State Government Education and Training Committee’s *Inquiry into geographic differences in the rate in which Victorian students participate in higher education*.

Whilst acknowledging the terms of reference for the inquiry, NTEU believes there to be two major components to this issue which should be considered as part of the Inquiry. Firstly, there are issues relating to regional students attending higher education institutions, with emphasis on access, equity and financial considerations. The second component is the status of regional institutions/campuses and their ability to attract and retain both quality staff and students.

NTEU will address both issues, but with a particular focus on the second element, addressing the role of regional campuses, and how these institutions assist in providing both access to and equity in participation in tertiary studies for regional students.

1. **Regional Students Accessing Higher Education**

According to recent data, in crude aggregate terms, for every 10 urban people on a per capita basis who attend university, roughly six rural, regional or isolated Australians will do so (James et al 1999).

Research by Dobson (2003) has shown that campuses in regional areas are more reliant on local Government schools for new enrolments than metropolitan campuses. As such, there are a variety of factors relating to secondary schooling in regional areas that affect entrance to tertiary levels. Data (Dobson 2003) has shown the retention levels from Year 10 to Year 12 is lower for regional areas (73% for regional areas compared to 82% for Melbourne metropolitan). Interestingly, students completing their VCE at Government school in regional areas produce higher median ENTER scores than those enrolled in the same in metropolitan Melbourne. However, students completing year 12 at regional independent and catholic schools achieved lower ENTER scores than those schools in Melbourne.
Of those who are offered places, 57% of those with higher ENTER scores (80) receive an offer from metropolitan campuses, compared with 21% from regional areas (Dobson 2003). The larger institutions make the most offers, with the focus on metropolitan campuses – for example, in 2003, Monash offered 55% of places at Clayton Campus, and 21% at Caulfield. The University of Melbourne only offered 18% of places at regional campuses.

There are a variety of reasons for the preference for metropolitan offers. Not all courses are available at regional campuses, with fewer professional courses such as law and medicine. There is a perception that regional institutions offer ‘lower status’ courses, such as business, humanities and education degrees, and that smaller campuses offer little in the way of range. However, this is not an accurate perception across all institutions, Deakin University for example offers Medicine at the Geelong campus and a wide range of subjects at the Warnambool campus. La Trobe University Bendigo campus and Monash Gippsland campus offer course streams across much of the discipline spectrum. The University of Ballarat (Victoria’s only regionally based University) offers a wide range of undergraduate courses, including Nursing and early childhood teaching at the Horsham campus.

It is correct, however, that students in metropolitan areas have access to a broader range of institutions and facilities, with more opportunities for accommodation, employment and social interaction. For many regional students, attending a metropolitan campus may provide an opportunity to leave the family home for the first time and experience an independent lifestyle. As such, it is not surprising to note that there is a considerable ‘net loss’ of young people from regional areas to metropolitan Melbourne. Between 1991 and 1996 there was a loss of 12.8% of males aged 15 – 24 (compared to 1996) and 15.5% of females of the same age (compared to 1991 figure). Unfortunately, data indicates that there is a low instance of return; leading to a stagnation of Victoria’s regional population (whilst Melbourne’s continues to grow at approx 50 000 per year).

However, not all students find this adjustment easy. Financial constraints, the removal of traditional support networks, and social isolation can impact on regional students unfamiliar with their new environment.

According to James (2000), there are a number of other reasons that regional, remote and low socio-economic students are deterred from accessing higher education. High fees and other costs associated with higher education are serious barriers, with research (CSHE, 2000) showing that 41% of lower socio-economic students (a demographic statistically higher in regional/remote areas) believed that their families could not afford the costs of supporting them at university. The perception of cost intensifies if the student must leave home in order to study. In addition, perceptions of the relevance and attainability of a higher education qualification impact on a student’s decision to attend university, as well as pressure to attain (and the availability of) work. According to ABS figures, in 2006 53.5% of 18 to 20 year olds outside Melbourne were not enrolled in any form of training (including tertiary), compared to 34.3% in Melbourne (although it should be noted there are considerable variations in the statistical data when compared to regions and even electorates).

While deterrents to higher education cannot be resolved in any single way, it should be noted that the role of regional campuses in provided opportunities for regional and remote students to access tertiary studies is a significant one. By providing access to studies closer to home, many students find the more problematic barriers of cost and social isolation are reduced considerably. Furthermore, as a recent report by the Victorian Government Regional Higher Education Working Party noted, these students, once educated tend to stay in the regional community, keeping their valuable skills in the community. As such, this submission also presents the case for regional institutions, and the importance they play in providing access and opportunity for regional students in Victoria.
2. Regional Institutions as a Regional Asset

Australia’s regional universities and campuses make a unique contribution to their local communities. They do this not only through the provision of educational opportunities for students from regional and remote areas, but through their contribution to the economic and social infrastructure and development of the communities in which they are located.

Regional institutions in Victoria presently face a number of challenges as a result of 11 years of Federal Government de-funding of higher education and the related encouragement of a ‘profit driven’ business focus by tertiary institutions. These factors have led to a policy of economic rationalism by institutional managements, resulting in many institutions either considering or enacting in the pairing back of services, courses and human resources.

NTEU believes that specific measures that can be taken to ensure they are not disadvantaged by some of the policy reforms being introduced by the Federal Government, and can continue to function as comprehensive teaching and research institutions. This is crucial in terms of ensuring regional communities have equality of access to the teaching, research and other benefits provided by universities.

A short overview of some of the benefits regional universities provide as well as the challenges they face are outlined below. This analysis demonstrates the need for Government, and university policy to support and build on their strengths.

3. Economic and Social Benefits of Regional Universities

According to the latest DEST higher education statistics, in 2003 Australia’s regional universities generated approximately $2,871 million in total income, employed the equivalent of more than 22,000 full-time employees, and spent approximately $1,574 million on wages and related costs. In 2004, almost 300,000 students were enrolled at Australia’s regional universities, which when translated in full time student load means 190,000 full time equivalent students.

As a consequence of their research and teaching activities, regional universities are important drivers of their region’s economic and social development. The generation and transfer of knowledge between universities and their communities is often described as a university’s “third stream” mission because it supplements the two core missions of research and teaching.

Regional universities typically place a high priority on regionally focused and collaborative research, and provide local businesses, government and community groups with access to professional, technical and consulting services. Knowledge exchange also occurs through mechanisms such as the establishment of business incubators, science and technology parks, staff and student secondments and placements, and exchanges between the local university and business or community groups. Through their learning and teaching programs, regional universities also contribute to local economic and social development by tailoring courses to meet community needs and aspirations.

In the twenty-first century, leading universities will not be able to avoid embracing a region’s economic goals, given that those economic goals will inevitably rest on a demand for universal post-compulsory education. A recent OECD Report on first years of post compulsory education found that we are moving from an age of mass to universal post compulsory education, and that by 2010, 4/10 new jobs will require a tertiary education (Birrell & Rapson, 2006). Universities need the support of communities to prosper – hence the need to embrace regional economic goals within their broader agenda.
4. Funding
There has been a substantial decline in Government funding for universities across the whole sector over the last decade, with the real value of government operating funds paid to universities, when adjusted to account for inflation and expressed in 2005 dollar values, declining by $438 million since 1996.

Regional universities face particular challenges and cost disadvantages including competing for private and public sources of funding, as well as attracting and retaining staff and students. Most regional universities are particularly reliant on Government funding, which accounts for 65% of their total income, compared to 59% for the rest of Australia. While the proportion of income from overseas student fees was only marginally less for regional universities than for the rest of Australia (12.1% compared to 13.8%), the average amount received by regional universities was substantially less than for the rest of Australia ($23 million compared to $48 million).

The regional loading does not cover the full costs for Universities that support regional campuses. La Trobe University, for example, estimates that it subsidises its regional campuses by around 30 per cent. University of Ballarat Vice Chancellor Professor David Battersby notes that for University of Ballarat the annual regional loading represents 0.07% of total revenue (for 2007) yet the University has 72% of its students from regional areas (The Australian, HES 20/02/08). Moreover, while it is more expensive for universities to deliver distance education from the regions, distance education students are not included in the proposed Commonwealth loading.

Many of the difficulties regional universities have in sourcing alternative income streams are beyond their control. Regional universities’ ability to attract international students is limited by distance, isolation and lack of infrastructure within the communities in which they are located. The comparatively smaller business and industry economies in regional areas means investment opportunities are also limited. This does not preclude regional universities from gaining some income from such sources but it does demonstrate the need to provide regional institutions with additional funding and ensure that current policy reforms do not further disadvantage regional universities and the particular roles that they play in their communities.

The effects of funding on employment is illustrated in a study by the Public Sector Research Centre, “Multiplying Benefits: The Economic Impact of Public Spending” (1999) examined the job-creation effects of a range of industries. The PSRC study concluded that education spending to the value of $1 million will generate a total of 35 jobs in the Australian economy: a $1 million reduction in education spending will result in a loss of 35 jobs. Education creates more jobs and economic activity per dollar spent than any other industry. Hence, the reduction in funding has had a direct impact on jobs – this is well illustrated with the Central QLD University situation, where a dramatic drop in funding (due to the institution’s dependence on the volatile international student market) has led to a projected loss of over 200 administration and support staff positions – the number of other positions that may be affected, such as short term contract, casual and even academic, is not yet known.

5. Research
One of the major challenges confronting Australia’s regional universities is their limited capacity to attract their fair share of research funding.

The link between research and teaching is one of the important defining characteristics of a university and needs to be maintained at all costs. A further concentration of research undertaken by Australian universities has the potential to create a multi-tiered sector based on a sliding scale of research, from research intensive to teaching intensive or teaching only institutions. A move towards teaching only institutions would be highly detrimental to the capacity of regional universities to deliver a diverse high quality university education.

Federal Government data (DEST, 2005) has shown that nine out of 15 regional institutions accounted for less than 1% of the total research funding received by Australian universities in 2002, compared to only six out of 25 non-regional institutions. Regional universities also find it more difficult to access
international research funding with no regional institution receiving greater than 1% of its own research funding from overseas sources.

6. Students at Regional Campuses
Regional universities account for 28.8% of all students enrolled at Australian universities. Given that this is higher than their share of total income and staff, regional universities on average have a higher student to staff ratio than non-regional universities, an average of 24.4 for regional universities compared to 20.3 for non-regional universities.

Regional universities enrol a large share of students in labour-market priority areas such as education and nursing, as well as having a high proportion of students from designated equity groups such as Indigenous and low socio-economic background students. Indigenous students account for 1.5% of regional enrolments compared to only 0.9% of non-regional enrolments and students from low socio-economic backgrounds account for 19.5% of all regional students compared to 11.1% of the non-regional student population.

Given this student profile, regional universities are particularly vulnerable to changes in Government policy. Commonwealth cuts to university funding, along with changes introduced in 2005 that have allowed universities to increase their fees by up to 25%, have forced universities to increase their reliance on student fees. Given the high proportion of students from low socio-economic backgrounds at regional universities, this could have a significant impact on the ability of regional universities to attract students and on their overall revenue, which in turn can affect the subject and course offerings that regional institutions are able to offer, causing a downward spiral of uncertainty and insecurity for both students and staff.

For regional and rural universities, the ability to offer a comprehensive education is crucial to attracting and maintaining students. While some will not be able to afford to attend universities elsewhere and will have limited opportunities to further their education and careers, others will be forced to migrate to metropolitan universities. Quite apart from the additional expense that is forced upon such students, many students who move to metropolitan areas tend not to return. This has a host of flow on effects for the broader community and its social and economic viability.

7. Voluntary Student Unionism
The introduction of the Higher Education Support (Abolition of Compulsory Up-front Student Union Fees) Act 2005, has already and will continue to significantly impact on the support services regional institutions are able to offer their students, as well as the broader community.

In regional and rural Australia in particular, student organisations provide access to services and resources that may not otherwise be available. Regional universities are often a core part of the communities’ economic and social infrastructure and the provision of social, recreational, cultural and sporting opportunities and services is crucial to attracting and maintaining student enrolments. The provision of services such as housing advice, or counselling services, are especially important in communities where infrastructure is limited.

In the face of increasing student fees, many of the services offered by student organisations are critical to a student's ability to attend university at all. In addition, it is the student organisation that often provides important social infrastructure such as cinemas, childcare facilities and sporting amenities to the whole community.

While NTEU notes that the new Federal Government is currently considering the situation regarding voluntary student unionism, for many regional campuses the damage is already excessive. Several student bodies have ceased to exist, and others are in danger of folding before any positive legislative changes are in effect. The impact of VSU legislation cannot be underestimated, and while its effects in metropolitan areas has been profound, on regional campuses VSU has devastated core student support programs, including welfare, recreation and advocacy services. The Union wishes to bring to the attention of the Committee the impact that the removal of such services has on the ability of regional campuses to attract and retain students. It should also be noted that often these services were available to the wider community, and their removal or reduction has a much wider socio-economic impact for the region.
8. Staff

While regional universities have 28.8% of all students enrolled at Australian universities, they only account 24.4% of total Full Time Equivalent (FTE) staff, and only 23.5% of academic staff working at Australian universities. The experience for many staff working at regional campuses, where the staffing compliment is smaller, is often one of insecurity, frustration, high workload and diminished opportunity for career progression, career development and capacity to undertake research. Staff at regional campuses are often required to teach across a number of units, whereas a city campus colleague would be able to specialise in one or two units. Changes in course offerings have a much greater impact on staffing.

Most Universities with regional campuses are working to differing degrees to develop their ‘e-learning’ capabilities as a way of addressing issues of course delivery and overcoming distance. For students this often means a lecture beamed in from another campus, or a ‘podcast’, denying the opportunity for face to face learning. There is a growing literature expressing concern about the impact of online or distance education upon student learning experience and upon the academic profession itself. The NTEU wishes to be very clear that it does not oppose the use of technologies to complement and enhance teaching practise, what it does oppose is the use of technology to replace the critical face-to-face teaching that is at the heart of a quality Higher Education experience. The application of such replacement technologies as a cost-cutting exercise is adamantly opposed by the NTEU.

Staff in regional Universities face a variety of challenges not shared by their city colleges. Ability to participate in school and faculty meetings are extremely limited, as is capacity to access staff development, collegial support, mentoring, and the spectrum of experience required for moving up the career scale. All of this impacts negatively on the ability of staff to engage in research. Further, the possibility of accessing research funds from within the local communities, are extremely limited, given the financial position of many of the regional areas. Adding to this as only a limited number of courses are taught, and often these are delivered in block by city colleagues, teaching experience can be limited to tutoring, subject coordination and administration.

Industrial policies relating to universities under the previous Federal Government threaten to take universities ‘down market’ by undermining the conditions of employment currently protected by collective agreements, making it more difficult for universities to attract and retain quality staff. Although these Government policies have now been removed, the culture permeated under the previous system remains. Institutional decisions on HR management tend to be amplified at smaller, regional levels, which have reduced staffing and resources compared to the main, metropolitan campuses. Ensuring that staff have competitive salaries and conditions is vital, particularly to maintaining the reputation of regional universities and to the capacity of regional institutions to attract quality staff. This can also have broader impacts for regional labour markets.

Given increasing financial pressures, universities may be tempted to reduce costs by relying more heavily on fixed-term contract and casual employees or reducing pay and conditions by offering individual contracts. This will put further pressure on regional institutions in their attempts to attract and retain quality staff.
9. Geography/Institutions/course offerings

Of Victoria’s eight universities only one is based in a regional area, the University of Ballarat. La Trobe University has a network of regional campuses (at Bendigo, Shepparton, Mildura and Albury-Wodonga). Deakin University has a campus at Warrnambool, Melbourne University has regional campuses at Dookie, Creswick and Shepparton. Monash University has a campus at Gippsland.

Outside of University of Ballarat, which has 72% of its students coming from regional areas, La Trobe University has the most extensive regional campus network with at regional student load (in equivalent full time) at around one quarter of the total student population. The La Trobe Bendigo campus has a broad course offering including accounting, nursing, business, law, IT and teaching. This campus was however, downgraded in 2004 from being a stand-alone campus to being vertically integrated with Bundoora, meaning in reality far less control over issues of staffing, finance and course provision. The La Trobe Albury–Wodonga campus offers less courses than Bendigo but includes education, social work, business, nursing and agricultural science. La Trobe Mildura campus is limited to seven courses on offer, and the Shepparton campus offers six. The Bendigo campus opened a new dental school this year for 50 students. The Shepparton campus is expanding and a new campus being built.

La Trobe University undertook a review of regional campuses in 2006/7. Analysis commissioned to examine demographic trends in the regional campus locations revealed that only one campus, Bendigo, was in an area with growth in the age groups of those likely to go to University. The review also looked at the question of critical mass and how the inability to reach this in many of the regional campuses resulted in a lack of viability for those campuses. Lack of viability impacts course offering and delivery (use of video conferencing etc), thus becoming a self fulfilling prophecy. Furthermore, a perceived lack of commitment from institution means students don’t see it as viable, also resulting in a further degradation of viability.

Similarly, instability has been a feature of the Warnambool campus of Deakin University. Recent years have seen the abolition then reinstatement of the Education Faculty at Warnambool, which bought with it the consequent loss and then reinstatement of staff, confusion in enrolments and marketing difficulties. Nursing has also been cut-back and then expanded, and Arts degrees are now under review for 2009.

Melbourne University has also significantly reduced its numbers of regional campuses over recent years and is now concentrated on the Dookie campus (Land and Food Resources), Creswick (School of Forrest and ecosystem science) and Shepparton campus where the Department of Rural Health facilitates rural placements for Melbourne based medical and allied health students.

In 2003 Monash University closed down much of its Engineering Faculty at Monash Gippsland, relocating courses to its Clayton campus.

NTEU believes that such actions send a negative message to the local community, who may interpret that the “city based” decision makers are not committed to the regional campus and therefore its future is always uncertain. In this context it is difficult for secondary students to effectively plan to attend their local regional campus, and this uncertainty becomes yet another barrier to tertiary studies. However, given the current culture of ‘viability driven’ management decision making, it is likely that, unless sufficient dedicated funding and support is invested in regional campuses, the ‘bottom line’ management approach will continue.

Finally, it should be noted that co-operation between Institutions in relation to their regional campuses is problematic. In the competitive marketplace of tertiary education, institutions are now encouraged to compete rather than cooperate.
10. Conclusion
The capacity of regional universities to deliver a high quality university education is crucial not only to educational and employment opportunities of those located in regional Australia, but also to the social and economic development of a particular area. The capacity to determine and undertake regionally specific research provides benefits for all Australians and the economy generally, but also contributes to the international reputation of Australia’s higher education sector in general, the staff employed by it and ultimately, to the future prosperity of Australia in the global knowledge economy.

11. Recommendations/solutions
NTEU submits to the Committee the following recommendations:

1. That long term commitments, that is 5 years or greater, need to be made for course offerings at regional Universities and campuses in particular. This would require much longer term policies and dedicated regional funding.

2. Dedicated funding should be made available to institutions with a focus of improving teaching, learning and research facilities for their regional campuses, with the aim of attracting and retaining quality staff and providing education options for regional students.

NTEU believes that such dedicated regional funding would provide certainty to those in regional areas giving advice at the secondary level to students about which course to take, and allow secondary students time to prepare and plan for tertiary studies. A higher level of certainty around course offerings should assist with improving retention rates for regional secondary schools.

NTEU notes that historically, there has been the tendency to address the issue of low regional student participation in tertiary studies via financial incentives, such as expanded scholarship and grants schemes. The Union wishes to emphasise that history has also shown the impact of such schemes to be negligible in the long term. It should also be noted that, for the individual, such schemes may, in effect, do more financial harm than good, as students may have to declare their scholarships or grants as additional ‘income’ and be penalised in terms of government funded student support and/or taxation.

Contact
Please do not hesitate to contact Robyn May, NTEU Victoria Industrial Organiser, on 03-9254 1930 if you have any further questions or require more information about any of the points raised in this submission. The NTEU is happy to further elaborate these concerns through discussion with the Committee.

Yours sincerely,

Matthew McGowan
NTEU Victorian Division Secretary

References