



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

PROOF

BILLS

Higher Education and Research Reform Bill 2014

Second Reading

SPEECH

Tuesday, 17 March 2015

BY AUTHORITY OF THE SENATE

SPEECH

<p>Date Tuesday, 17 March 2015 Page 61 Questioner Speaker Lambie, Sen Jacqui</p>	<p>Source Senate Proof Yes Responder Question No.</p>
---	--

Senator LAMBIE (Tasmania) (17:39): For the second time since I have been elected to this place, I rise to speak to the Liberal and National parties' Higher Education and Research Reform Bill 2014. Even with the government's latest policy backflip, for the second time I inform this Senate that I will strongly oppose this legislation. The Abbott government have deliberately and slyly ambushed the Australian people with their proposed changes to university funding and proposed increases to university fees. It is a cowardly and callous pattern of political behaviour that has been repeated in other policy areas, including cuts to health funding which are designed to burn down Medicare; cuts to pensions by linking pension increases to the CPI; increasing the pension age to 70 from 2035; effective cuts to ADF members' pay entitlements; effective cuts to the Australian war veterans' pensions; and effective cuts to their entitlements.

Following Education Minister Pyne's recent announcement that he would not slash funding to our universities by 20 per cent—just yet—and he would not destroy the jobs of 1,700 researchers—any time in the next month or two—the Group of Eight universities chief executive Vicki Thomson is reported by the media to have said it would be 'unthinkable' for the government's reforms to fail. Ms Thomson is also reported to have said:

The present funding model is broken. University funding is an investment in Australia's future. The Go8 implores the Senate to this week make the right decision for every student and for Australia.

My reply to Ms Thomson and her supporters is: yes, the present funding model is broken because Labor and in particular this Liberal government have chosen to deliberately break the higher education funding model.

Labor broke the public funding model because they forgot who they were. They forgot their values and who they represented. The Liberals broke the higher education public funding model because they want us to become more like America. They want to create a society in Australia where the rich become richer and the poor know their position in life. The Liberals want a divided Australia, one run by a new blue blood, a blue-tie aristocracy where title, position, privilege and bank balance mean more than ability, hard work and perseverance. Yes, university funding is an investment in Australia's future. And, yes, both Labor and the Liberal government are guilty of failing to invest in Australia's future and Australia's young people.

How do we fix our broken model of funding for higher education? The solution is very easy. Firstly, we honestly acknowledge that successive Australian federal governments have deliberately chosen to cut back funding to our universities, while other countries' governments—a lot of the Nordic countries—chose to make higher education a priority. Generations of Australian leaders from both Labor and the Liberal Party chose not to make university funding a priority, while Finland and Norway chose to deliver the best higher education system in the world, and free of charge, to their young people.

Parliamentary Library research I commissioned says:

The Labor Government's 2013-14 Budget higher education savings measures amounted to \$2.3 billion. Labor never implemented these savings. The Coalition Government adopted Labor's proposals but the legislation to implement these savings failed to pass.

The Coalition Government's 2014-15 Budget higher education savings measures amounted to \$5.0 billion. The Coalition Government's first Bill to implement \$3.9 billion of these savings failed to pass. The Coalition has now introduced a new Bill to implement its higher education reforms. The Coalition Government has therefore not yet implemented any of its proposed 'cuts' to higher education.

Other Parliamentary Library research I commissioned shows that, as a percentage of GDP, our university funding has decreased over the last 10 years from 0.9 per cent to 0.6 per cent. The worst years for university funding were between 2000 and 2007, where it was stuck at 0.5 per cent of the GDP. University funding dipped again in 2010-11 from 0.6 per cent to 0.5 per cent of GDP.

The Nordic countries are now absolutely reaping the social and economic benefits of the investment in higher education which they sowed, while here in Australia in 2015 we have a manufacturing industry going down the drain and workers are struggling to keep jobs and this Senate is engaged in this dumb, stupid, ridiculous debate about university funding. Should Australia invest one per cent of our GDP in higher education? Yes, you be it should. Who in their right mind could argue against the principle of one per cent of our GDP being invested in the higher education system? Australia is a First World country. We should be able to almost double our spend on higher education from around \$9 billion to \$18 billion. The money is there. It is just a matter of priorities. In a time of austerity, should we spend \$25 billion in foreign aid over the forward estimates or should invest in Australia's poor? In a time of austerity, should we spend \$5 billion in order to try to bribe our states to sell off publicly owned assets or should we help our young people further their education?

I now turn to higher education delivery in Tasmania. If this legislation passes this Senate, the so-called Liberal reforms contained in this government bill will significantly harm the best interests of Tasmania, Tasmania's current and future higher education students, and the staff in the institution of the University of Tasmania. Unlike any other state in Australia, Tasmania has only one higher education provider. We are proud of that. That is the University of Tasmania. So the danger this legislation poses is greater in my home state than in any other state.

This legislation is proof that the Liberals hate the fact that Tasmania has only one higher education provider. I do not think that it is a bad thing. This legislation will undermine the University of Tasmania's delivery of higher education and allow competition into the market. The Liberals will tell you that competition will produce better economic, academic and social outcomes, but that is another Liberal lie. That is not how it works in the real world when you provide First World essential services to places with small populations. Everyone knows that the Liberal's deregulation contained in this legislation will harm the University of Tasmania and Tasmania's reputation as a quality higher education provider.

The real reason the Liberals want to open up the higher education market is that it will allow their big business mates to make lots of money. I have met these big business people, these friends of the Liberals, their mates. They have come to my office and tried to influence me to vote for legislation that will help make them lots of money. These people boast about their power and have a hard time not licking their lips as they talk about the profits they stand to make from the taxpayers once this legislation is passed. Put simply, this legislation will allow the Liberals' mates to move in and cash in on my state's reputation as a quality higher education provider.

This Liberal legislation will allow the Liberals' mates to shamelessly cherry-pick courses and undercut the University of Tasmania because, unlike the University of Tasmania, the new providers who give the Liberal Party lots of money in political donations will not have any legislated obligations to give back to the community by investing in research. A new higher education provider, under the Liberals' rules, will be able to come into my community and set up a shop front and, without research obligations, provide a degree or associate degree with 30 per cent to 40 per cent less operating overheads than the University of Tasmania. That is not a fair system.

The owners of the new higher education providers will not have the same love for Tasmania that the current owners, the people of Tasmania, have. The new higher education owners and managers that the Liberals want to set up shop in Tasmania, unlike Professor Peter Rathjen and his team at the University of Tasmania, will not love, care for and sit at the heart of the social, intellectual and cultural life in Tasmania. The new higher education owners will be ruthless business people, motivated by performance bonuses and with one focus—profit. That will not work in Tasmania. These profits will be taken from students who will, for the first time in Australia's higher education history, receive a government subsidy that will flow to private providers who will have no real connection to the community they service.

A higher education monopoly for Tasmania has been a wonderful thing. It has provided protection while the University of Tasmania has grown and gained a critical mass and produced exceptional academic results. It has produced world-acclaimed results for the people of a state which has a total population of only a little over half a million people, less than a suburb of the capital of China. As the Vice Chancellor of the University of Tasmania Professor Peter Rathjen says in the 2014 impact study:

The University of Tasmania's 10-year strategic plan, *Open to Talent*, is unequivocal about the fact that we ... must continue to "sit at the heart of social, intellectual and cultural life in Tasmania".

If these sneaky, deceitful, harmful Liberal changes to Australia's higher education system are allowed to pass through this Senate then the Liberals will take the political gun that they have shamefully and slyly held to

the head of the University of Tasmania and every other Australian university during the lead-up to this bill's consideration and place it on the chest of every Tasmanian and pull the damn trigger.

I will not allow that to happen because if you hurt the University of Tasmania you hurt every Tasmanian. Firstly, the University of Tasmania's contribution to Tasmania's economy is \$1.7 billion. Secondly, one in four Tasmanians have a direct connection to the University of Tasmania. Thirdly, 5,900 people are employed by our university. Fourthly, more than 30,000 students are enrolled at the University of Tasmania. We are very proud of that. Fifthly, the University of Tasmania is ranked in the top two per cent of universities worldwide according to the Academic Ranking of World Universities 2013. I can tell you that we are very bloody proud of that. Sixthly, with a budget of \$96 million, the University of Tasmania is in the nation's top 10 for research income. Seventhly, as indicated in the 2014 impact statement, the University of Tasmania is a key economic driver as well as a place of knowledge and learning, with campuses and facilities in Burnie, Launceston, Bisbee Tier in the Midlands and Hobart.

The Liberals have deliberately and carefully created a sense of panic and desperation in the minds of the people who run our universities and in the minds of our community leaders. Christopher Pyne and the PM have achieved their goals by using tactics a third-world tyrant would be proud of. Firstly, the Liberals have threatened to slash university funding by 20 per cent. secondly, they have threatened the jobs of 1,700 researchers. Thirdly, in Tasmania, they have dangled the carrot, which I am absolutely disgusted by, of \$400 million worth of new university buildings. They have never put pen to paper and guaranteed funds for this much-needed and essential investment in a capital upgrade yet we have \$50 billion sitting in infrastructure funding. Fourthly, the Liberals, along with the previous federal Labor government, have also deliberately cut the number of associate degrees that the University of Tasmania can teach and deliver to students. So much for Joe Hockey's 'earn or learn'. I tell you, you are not looking pretty.

The fact that both sides of parliament have cut the number of associate degrees is a significant point which has not received due consideration and has caused the University of Tasmania great harm. Associate degrees, or subdegrees, of approximately two years in length are the higher education product now in great demand, especially in Tasmania. Associate degrees have been described to me as a practical learning experience where you will gain knowledge, qualifications and a job. The University of Tasmania has identified a great demand for associate degrees and is planning on providing 10,000 associate degrees in the future to students in Tasmania. I sincerely hope they do and I support them in their plans. The only thing stopping them from going ahead with their plans is this government, which has placed an artificial and arbitrary cap on the number of associate degrees granted to our universities.

It should not come as a shock for the Senate to learn that successive governments have dramatically cut back on the availability of associate degrees. The Liberals in particular, as part of Pynes's nasty political softening up process in order—

The ACTING DEPUTY PRESIDENT (Senator Williams): Senator Lambie, excuse me. Please just pause for a minute. When you refer to those in the other place, you must refer to them by their correct title. It is either Mr Pyne or Minister Pyne, not just Pyne.

Senator LAMBIE: The Liberals, in particular, as part of Mr Pynes's nasty political softening up process in order to blackmail the University of Tasmania into accepting the Liberal's outrageous changes have dramatically reduced the number of associate degrees.

During a recent briefing my staff undertook with Minister Pyne's senior education officials, it was admitted that this year the University of Tasmania while asking the government for 360 associate degrees was granted only 60 associate degrees. Once again, here we go, 'earn or learn.' Parliamentary Library research I subsequently commissioned shows that in 2009 the University of Tasmanian was granted 1,095 associate degrees ; in 2010, that number was reduced to 1,023 associate degrees; in 2011, that number was reduced again to 850 associate degrees; in 2012, that number was slashed to 630; and the latest figure for 2015, which has been confirmed by Mr Pyne, is that it has been ripped down to 60. Sixty! In the space of six years, an in-demand higher education course which provides a lifeline for the state of Tasmania though UTAS has been cut from 1,095 to 60 associate degrees. That is a cut of 1,800 per cent. My question to this Liberal government and to the previous Labor government is: was this a deliberate attempt to undermine our state's economy and drive a stake through the heart of the

social, intellectual and cultural life of Tasmania, or was the restriction of the availability of associate degrees just sheer incompetence?

While Tasmania has been granted only 60 associate degrees for 2015, Parliamentary Library research shows that in 2013 New South Wales had 1,091 and Victoria had 1,859. I tell you what, they are not in the same economic and social situation we are in. I am calling on the federal government to come clean on the number of associate degrees they issue and explain how they decide to issue those degrees. The Liberals must explain why they refuse to support the University of Tasmania's plan to expand this worthy program. And from the Labor party I want a guarantee that in government they will reverse the cutback in investment in our universities and set up a national goal to take our investment in university funding to one per cent of GDP. I am looking for that undertaking from the Labor Party. Answer this simple question honestly and do not ignore it: if the Nordic countries can deliver the best higher education system in the world to their young people for free, why can't we? I also want a guarantee that Labor in government will invest and allow the University of Tasmania to implement its plans to expand by delivering up to 10,000 associate degrees on the Burnie and Launceston campuses while continuing their magnificent research in Hobart.

I believe that Australia has the means and resources to deliver free higher education to our young people. However, this debate has shown that we do not have the politicians with the vision and courage to deliver free higher education to our young people. So, today, I am putting out a call to those people who want to create a better, smarter Tasmania and Australia to contact my office. I will support candidates at the next election who are prepared to work for a future where Australia has the best higher education system in the world and our government will deliver our children's first degree for free. A free first university degree for all Australian children who want and earn the opportunity will only become a wild, unachievable goal if the Senate and the parliament are populated by people who think it is a wild, unachievable goal.

For Australia to prosper and thrive, we must look to the lessons of Finland and Denmark. We must not look to America, as the Liberals want us to with their legislation. The American higher education system, according to the *Economist* magazine, is contributing to America's new aristocracy, a hereditary meritocracy. An *Economist* article examining America's higher education system states:

“MY BIG fear,” says Paul Ryan, an influential Republican congressman from Wisconsin, is that America is losing sight of the notion that “the condition of your birth does not determine the outcome of your life.”

We do not want that future for Tasmanian or Australia.

In closing: if Minister Pyne and Prime Minister Tony Abbott have so much faith in the higher education reforms contained in this bill, why did they not tell the people of Tasmania and of the other states about their reforms before the last election? If the Liberal's higher education policies were any good there would not be a need for a cover-up followed by a disgraceful political ambush and now these desperate threats. I oppose this legislation with every fibre of my being. I will always do so.