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PARLIAMENTARY DEBATES



**THE SENATE**

**PROOF**

**BILLS**

**Higher Education and Research  
Reform Amendment Bill 2014**

**Second Reading**

**SPEECH**

**Monday, 1 December 2014**

BY AUTHORITY OF THE SENATE

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## SPEECH

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**Senator LAMBIE** (Tasmania) (18:05): I rise to speak to the Higher Education and Research Reform Amendment Bill 2014. This bill seeks to radically deregulate university fees by allowing universities to set whatever fees they want to charge students. The government currently caps the costs of tuition fees based on the type of degree students choose to undertake—for example, nursing, teaching or law. The bill also opens up HECS-HELP loans to students outside public university sectors. Students in private universities, TAFEs and other private education facilities studying for a diploma in a private university will for the first time in Australia's history attract public funding.

At the same time, the Higher Education and Research Reform Amendment Bill 2014 seeks to cut funding to universities in a number of ways. It seeks to: impose a 20 per cent cut across the board to subsidies for undergraduate student places; force a 3.25 per cent one-off efficiency dividend on the Australian Research Council, which will cut funding to research conducted in universities around the country; make a reduction in funding to the Research Training Scheme, which supports higher education research students; and reduce government funding of higher education over the long term by forcing changes in indexation for Commonwealth grant funding.

The bill also seeks to force universities to fund a certain number of scholarships out of the profits they will make from charging fee-paying students more money for courses.

This Senate is faced with a number of important decisions which will have a significant impact on the future of Australia. These decisions, especially those with regards to the government's plans for higher education, will profoundly change the course of national events and the culture of Australia for better or for worse. Unfortunately if this legislation passes this Senate, Australia will be worse off.

If we accept the Liberals' proposed radical plans for higher education contained in this bill, as a nation we will take a large step to the right. Our country will become less caring, a place where class differences become greater. A fair go will be a term our children will read about in history books rather than experience first-hand. I fear that if this Senate follows the course set out by the Liberals in this education bill, our grandchildren's prosperity and opportunities in life will be influenced more by how much wealth and status their family has rather than their ability to work hard, study, learn and show disciplined behaviour. The haves, in a future Australian society dominated by Liberal policies presented to this parliament in recent times, will be guaranteed to have more. And the have-nots will be forced to fight amongst themselves for a fair go and a smaller share of the Australian common wealth.

If we want to be given a glimpse into the future, we should look to America's higher education and health systems, which appear to inspire and motivate the Liberal members of this parliament. America's higher education and health systems are unforgiving, market-driven social structures, which the economic rationalists love—that is, until those economic rationalists experience one of the knocks in life where family sickness or unexpected personal misfortune means a life of poverty and a continuous struggle for survival. While I admire America's love of personal rights, freedom and liberty, their respect for what is right and just, their productivity and innovation, and while I am in awe of their willingness to shed blood to protect this world from tyrants and dictators, that does not mean that I am blind to the faults of their society and their culture. Two of America's biggest cultural faults, I believe, are found in their education and health systems, where wealth and social status always guarantee better education and health outcomes for younger people.

That is why I am fearful that, should the Australian Senate agree to the Liberals radical legislative proposals, which have been heavily influenced by the world of JFK in health and education, then our grandchildren's future will contain the worst of the American culture while missing out on the social safeguards found in their Bill of Rights, their Constitution and the guarantee of wealth-creating opportunities of being a citizen of the world's largest economy.

If you compare my pecuniary interest register with that of other members of the Australian parliament, it will not come as a surprise when I say that I am probably one of the least wealthy senators. I know what it is like to be poor and sick and to have to count every cent. I have experienced first-hand some of life's misfortunes. I know how hard it is to fight back after you have hit rock bottom and that is why I am determined to fight and to speak out for the poor people of Tasmania and for present and future Australians.

I will make decisions today in this Senate that will help the Australian battlers receive better education and health opportunities. Politicians in this parliament, those who have been born to wealth and privilege, those who naturally consider themselves as part of Australia's ruling elite, those who do not like me and people like me because I did not go to their schools or socialise in their groups and those who say I am not qualified to stand in this Senate will never really understand why I will vote to reject their plan to fundamentally change the culture of Australia. They will take my opposition to their extreme right-wing policies as a personal attack on them. However, it has nothing to do with them. It is the future of poorer Australians and battling Tasmanians that I am voting to protect.

It is the underdog and the fact that I want a higher education system that is free to all young Australians that I am fighting for. Because Liberal and National members of the parliament chose to hide their plans for higher education before the election, the Australian people have not been presented with an opportunity to properly debate and consider the future of higher education in Australia. The debate about the future of higher education in Australia only started after the last federal election. And it has been a one-sided debate which assumes that a return to free higher education has been ruled out. Why?

The standard reply from the Liberal members of this place is 'we need a sustainable model'. The only thing that I know for certain is that this Liberal government and its education minister will not be here in two years—they are unsustainable themselves. Under Mr Pyne's leadership, the Liberal government held a gun to the heads of our universities, University of Tasmania included, and took their money. They now want to impose on our young people a radical plan to allow university course fees to skyrocket and, in doing so, change the culture and future of higher education in Australia to match that of America. Their plan lacks political legitimacy because it was never discussed with the Australian people before the last federal election.

The government's higher education plan has no mandate. My strong suggestion to both the government and the opposition is: get your house in order; consult with the experts, students and ordinary Australian people and put a plan together, and then take it to the next federal election. Let the Australian people decide at the next federal election who has the best plan to deliver higher education to future generations of Australians. In the meantime, this Abbott government must get its priorities right. It has plenty of money in the budget. There is the \$25 billion over the forward estimates for Paid Parental Leave, \$30 billion for foreign aid and \$5 billion for federal government bribes—and they are bribes—for those states that sell off their public assets.

Give the public funding back to the universities. Create certainty for students and families and allow a proper debate on the future of university deregulation. There is no urgency to put in place a new government policy for Australian higher education. This is a matter which can be sorted out between now and the next federal election. This deal for higher education must be right and agreed on by the majority of Australians. The haste in which the current education minister is pushing this deal reminds me of a dodgy used-car salesman trying to flog a lemon in Sydney's western suburbs, and I am not buying it.

Another unsavoury tactic the education minister is using in order to try to force me into accepting his higher education mess is the restructuring of the University of Tasmania. The University of Tasmania, in order to remain academically healthy and relevant to Tasmanian young people and to be able to continue with their world-class research, needs to be restructured. Minister Pyne has made it clear to me that without his higher education plan passed through the Senate, then restructuring at UTAS 'can't happen'. This, of course, is not true. Restructuring at UTAS can go ahead without the Liberal's plan to turn our higher education system into the academic equivalent of the *Hunger Games*. My message to the education minister is simple: stop the spin and tell the truth. Your hands as a minister are not tied. The education minister can authorise the restructuring of UTAS without this legislation passing this Senate.

By ambushing the Australian people with their higher education policy after the election and by cutting back on university funding, this government have been able to guarantee a one-sided public debate. Until recent times, the majority of people in this public conversation about the funding of higher education have assumed that

deregulation of higher education and skyrocketing university fees were a done deal. What was missing in the higher education debate and public conversation was the argument for a free university education.

In order to better understand the background surrounding the debate about higher education reform, I commissioned a Parliamentary Library research brief which examined other countries in the world which provided—and I say, 'provided'—free higher education. It is worthwhile sharing elements of this brief. The Parliamentary Library looked at the effects of free university education: the benefits and disadvantages. I quote from the library brief

The OECD provides a useful analysis:

The cost of higher education and the best way to support students in paying for that education are among the most hotly debated public policy topics in education today. The level of tuition fees charged by tertiary institutions—as well as the level and type of financial assistance countries provide through their student support systems—can greatly influence the access to and equity in tertiary education.

Striking the right balance between providing sufficient support to institutions through tuition fees and maintaining access and equity is challenging. On the one hand, higher tuition fees increase the resources available to educational institutions, support their efforts to maintain quality academic programmes and develop new ones, and can help institutions accommodate increases in student enrolment. Thus, several factors influence the level of tuition fees, such as the salary of professors, in the competition to hire the best ones in a global academic market; the development of non-teaching services (employability services, relations with companies); the growth of digital learning; and investments to support internationalisation.

However, tuition fees may also restrict access to higher education for students—particularly those from low-income backgrounds—in the absence of a strong system of public support to help them pay or reimburse the cost of their studies. In addition, high tuition fees may prevent some students from pursuing fields that require extended periods of study, especially when labour market opportunities are not sufficient in these fields.

On the other hand, lower tuition fees can help to promote student access and equity in higher education, particularly among disadvantaged populations. However, they may also constrain the ability of tertiary institutions to maintain an appropriate quality of education, especially in light of the massive expansion of tertiary education in all OECD countries in recent years. Moreover, budgetary pressures stemming from the global economic crisis may make it more difficult for countries that have lower tuition fees to sustain this model in the future.

Differentiating tuition fees (by level of education, field of education, student background or mode of delivery) is a way for countries to adjust the level of tuition fees to take into account equity issues to access tertiary education, costs to provide education and labour market opportunities.

A few sentences from the OECD analysis stood out for me:

However, tuition fees may also restrict access to higher education for students—particularly those from low-income backgrounds ...

Tasmania has more than its fair share of families and students from low-income back grounds.

If I allow this government to have its way and dramatically increase tuition fees for the students at the University of Tasmania, there will be fewer students who have access to higher education. Therefore, there will be fewer young Tasmanians who have opportunities to earn more over their lifetime, to be socially mobile and more productive and to improve their families' wellbeing. How am I supposed to vote for this government's plan for higher education when I know that it will hurt the University of Tasmania and that then, ultimately, the hurt will be passed right through Tasmania by limiting the number of young people with higher education?

The OECD report also said:

In addition, high tuition fees may prevent some students from pursuing fields that require extended periods of study...

This is especially so when labour market opportunities are not sufficient in these fields.

What guarantee has this government given to the people of Tasmania that their higher education plan will not produce fewer masters students and people who hold doctorates? The answer to that question is this: there is no guarantee—there is no guarantee! How am I supposed to vote for this government's plan when I know it will cause fewer innovation, research, business and job creation opportunities?

This debate about higher education in Australia is being conducted as if a deregulated tuition fee system is the only way the rest of the world delivers learning opportunities to its sons and daughters. Once again, the Parliamentary Library briefing that I commissioned opens any reasonable person's mind to other funding models:

The OECD report, *Education at a Glance 2014: OECD Indicators* show that public tertiary institutions in eight OECD countries do not charge tuition fees. These countries are the Nordic countries (Denmark, Finland, Iceland, Norway and Sweden) and Mexico, Poland and Slovenia. However, during the past decade, Denmark and Sweden (as of 2011) have introduced tuition fees for international students ...

Why can't Australia follow the example set by the Nordic countries? After all, they are recognised worldwide as having some of the best education systems and teachers. Their businesses and professionals are acknowledged as some of the most innovative, productive and profitable in the world. Surely we could do a lot worse than follow their example—or at least we could consult with their education experts. At the very least, this is an important debate that our nation should have before we vote in this Senate on legislation which has the potential to profoundly change our culture and society for the worse. The Parliamentary Library report shows that Nordic countries invest between one and 1.9 per cent of their GDP on higher education. If we invested a similar amount, we would spend about \$25 billion—the same amount we currently spend on the defence of Australia.

In closing, I am appealing to my fellow crossbench senator, Senator Ricky Muir. I believe his vote will be critical in order to defeat this radical Liberal plan to increase the cost of university degrees. I ask that, before he votes, Ricky consider the tens of thousands of children who come from working class backgrounds who will never be given the opportunity to better themselves and improve their lot in life through a university education—because the Liberals' costs will scare them and stop them from even dreaming of a university degree. This legislation is deliberately designed to keep working class people in their place by Liberals who think they are born to rule and lord over normal Australians. I strongly oppose the Higher Education and Research Reform Amendment Bill 2014.