

29 APRIL 2014

RUN: TOUGH TIMES NEED TOUGH DECISIONS

The Regional Universities Network (RUN) has called for a “robust discussion” around fee deregulation in the broader context of university funding, including research and regional loading funding in the current difficult economic climate.

RUN chair, Professor Peter Lee, says increased funding is needed if universities are to continue to offer quality education for more students, undertake world class research, and drive innovation and participation in the modern, world economy.

Professor Lee says the Government should adopt the proposals in the recent Grattan Institute Report Doubtful debt: the rising cost of student loans, by Andrew Norton.

“Recovery of student debt from Australians living overseas and from deceased estates, and pegging the indexation of the earnings threshold for repaying Higher Education Loan Program (HELP) debt to the Consumer Price Index instead of Average Weekly Earnings, if adopted in the forthcoming budget, would potentially save \$860 million a year by 2016-17,” he said.

Professor Lee said this would help the budget now and in the future and not have a significant adverse impact on students or universities.

“Part of the higher education system is currently deregulated – the caps were removed from bachelor places in 2012. This has meant a significant increase in the participation of low SES and regional students at university, which is important to lift higher education attainment in regional Australia, and good for regional development and regional communities.

“Between 2009-2013, the 2.2 per cent increase in offers to low SES students, which includes many who attend the six Regional University Network (RUN) universities, was double the rise for medium SES and almost six times the growth for high SES. More than 65 per cent of students at RUN universities are first in family.

“Further extension of the system to sub-bachelor places, as recommended in the Review of the Demand Driven System, would assist in providing pathways for less well prepared students, and lift participation in higher education in regional Australia.

“The system remains regulated for fees for undergraduate student places. Although this is not consistent with deregulated student numbers, RUN remains concerned about the potential effect an increase in student fees might have on participation.

“While fees are deferrable through HELP and, at current levels, do not appear to have

www.run.edu.au

deterred students, it is unclear what effect increasing fees might have. Regional students face higher costs than city-based students – often they have to relocate, which means that they have higher living expenses.

“However, given the current funding climate, RUN is open to robust discussion of fee deregulation in a broader context of university funding, including research and regional loading funding.

“If there is fee deregulation, there should also be support, including scholarships, to ensure the continued growth in the participation of low SES students in higher education,” Professor Lee said.

For media enquiries:

Dr Caroline Perkins, Executive Director, Regional Universities Network, 0408 482 736

Issued by: Diana Streak, RUN Media Adviser, 022 536 064

www.run.edu.au