

GSA Public Submission

University of Melbourne Graduate Student Association's submission to the Senate inquiry into the *Higher Education Support Legislation Amendment (Student Loan Sustainability) Bill 2018*

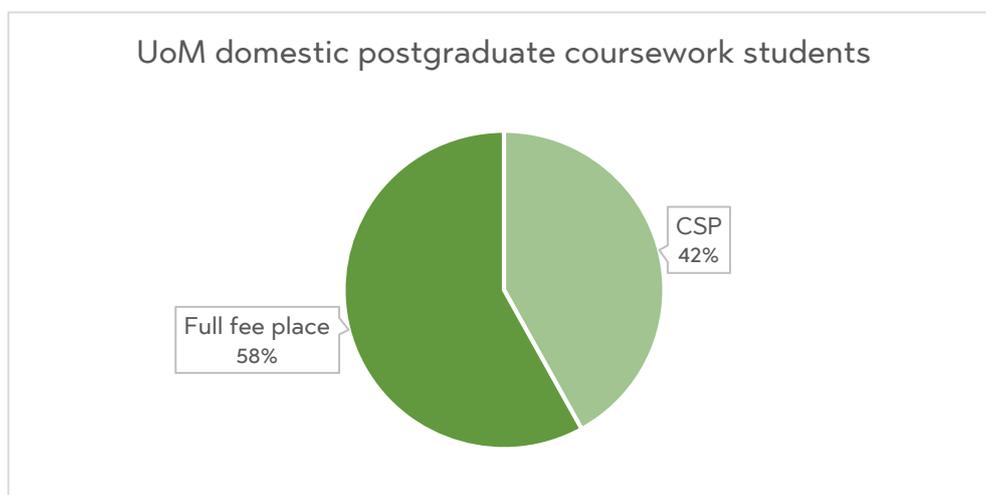
Summary

The University of Melbourne Graduate Student Association (GSA) welcomes the opportunity to make a submission to the Senate Education and Employment Legislation Committee's inquiry into the *Higher Education Support Legislation Amendment (Student Loan Sustainability) Bill 2018*. As the representative body for over 34,000 postgraduate students at the University of Melbourne (UoM), GSA advocates for accessible world-class higher education for students at the University and throughout Australia.

GSA supports the submission made to this inquiry by the Council of Australian Postgraduate Associations, and in addition wishes to raise specific concerns about the proposal to introduce a lifetime cap on the combined amount of HECS-HELP, FEE-HELP and VET FEE-HELP a student can accrue. GSA is gravely concerned by how this change would disadvantage current and future domestic postgraduate students at UoM, and recommends that the plan to introduce a lifetime cap on HELP loans be abandoned.

Background

Currently, domestic postgraduate students paying full fees for their course can borrow up to \$102,392, or \$127,992 for students in medicine, dentistry and veterinary science courses via the FEE-HELP system. This is in addition to the unlimited amount they can borrow under the HECS-HELP system to undertake undergraduate or postgraduate degrees in Commonwealth Supported Places (CSPs). This bill proposes introducing a combined lifetime cap on FEE-HELP, VET FEE-HELP and HECS-HELP loans of \$104,440 for most students, and \$150,000 for students in medicine, dentistry and veterinary science.



UoM’s highly successful ‘Melbourne Model’, in which students undertake a generalist undergraduate degree followed by a specialised professional master’s degree, means that the University has one of the largest postgraduate coursework cohorts in Australia. At present, UoM has approximately 15,000 domestic postgraduate coursework students. Under their funding agreement with the Department of Education, the University offers 1020 CSPs to domestic postgraduate students in medical courses, and 5251 to other domestic postgraduate students.¹ The approximately 9,000 remaining domestic students pay full fee for their coursework degrees.

The combined lifetime cap would mean that many domestic students at UoM would have to pay more of their postgraduate course fees up-front, and that many others would come close to the proposed cap.

Example UoM postgraduate courses	Full domestic fee for course	Cost with bachelor’s degree ²
Above proposed cap		
Doctor of Medicine (4 years)	\$295,434	\$327,934
Juris Doctor (3 years)	\$124,385	\$144,085
Master of Architecture (3 years)	\$108,951	\$136,951
Master of Engineering (3 years)	\$104,109	\$132,109
Below proposed cap		
Master of Economics (2 years)	\$68,552	\$101,052
Master of Information Systems (2 years)	\$63,239	\$91,239
Master of Public Administration (2 years)	\$69,208	\$88,908
Master of Agricultural Sciences (2 years)	\$54,383	\$82,383
Master of Science (2 years)	\$61,008	\$80,708

Undermining equity in postgraduate education

As the Council of Australian Postgraduate Associations highlights in their submission to this inquiry, introducing a combined lifetime cap on HELP loans undermines equity of access to postgraduate education in Australia, by essentially limiting access to some postgraduate degrees to those who are capable of paying fees up-front. In particular, this limits access to UoM’s Melbourne Model, meaning that only wealthy students, or those fortunate enough to secure one of the limited CSPs, would be able to undertake many of the courses in this unique form of education.

Moreover, because the cap is intended to be introduced on 1 January 2019, and apply to all people with HELP loans, students who are already partway through their degrees would be faced with the difficult

¹ *Funding Agreement between the Commonwealth of Australia as represented by the Minister for Education and Training and The University of Melbourne regarding funding under the Commonwealth Grant Scheme in respect to 2018, 2019, and 2020 grant years*, p.6, https://docs.education.gov.au/system/files/doc/other/melbourne_signed.pdf

² This figure assumes a 3-year bachelor degree undertaken in a cognate field.

decision to either abandon their course, or find a way to pay the additional up-front fees.

Limiting access to lifelong learning

Today, more and more professional careers require a postgraduate qualification for entry or advancement, and working Australians across all sectors increasingly need to undertake learning throughout their careers in order to adapt and thrive in a rapidly changing economic and technological environment. However, while the federal government has identified a commitment to lifelong learning as a national priority, the introduction of a combined lifetime cap on HELP loans would severely curtail the capacity of Australian workers to access education throughout their careers.

For example, a graduate of a UoM postgraduate degree like a Master of Economics or Information Systems would be severely limited in their options for further higher education or vocational training later in their careers, potentially limiting their capacity for career advancement or changes in career. From another perspective, a person considering mature-age study at UoM, who may have undertaken study in a different field earlier in their life, may be limited in their choice of courses based on the HELP debt they had already accumulated.

Higher education for Australia's future

Equitable and ongoing access to higher education remains one of the key ingredients in Australia's future and continued prosperity. On behalf of UoM's postgraduate students, GSA calls on the federal parliament of Australia to protect this future and genuinely invest in our vital higher education system.

Given how important it is for all Australians to be able to access education throughout their lives, the government's plan to introduce a combined lifetime cap on HELP loans must be recognised as an impediment, and therefore abandoned.

Georgia Daly

President, University of Melbourne Graduate Student Association