

ATN Response to the Review of the Impact of the *Higher Education Support Act 2003* Discussion Paper

The Australian Technology Network of Universities is a group of universities which combines expertise in people and technology and the interface between them to help underpin the social and economic development of the communities in which we work.

The ATN has a solid reputation for graduate outcomes and is recognised as delivering high quality and relevant education and research.

A key objective of the Network is to help secure Australia's reputation as the clever country, and contribute to its social and economic wealth, while championing the principles of access and equity that have ensured its members are the universities of first choice for students in several states.

Almost 20% of Australia's student population attends one of the five universities of the ATN. Collectively, we are the major provider of teacher education, language and literacy education, engineering, science and nursing/allied health education, architecture and information technology education and management and commerce. We educate graduates who are ready to enter their chosen profession through the provision of courses with a strong applied focus and practice-based learning.

The ATN welcomes the opportunity to contribute to this national review, but believes that fundamental to any meaningful outcome is a serious consideration of adequate funding for our universities. The questions raised in the Review Paper can not be considered in isolation from the real issue at hand; specifically, the gap between total course costs and the total level of funding provided by the Government.

Addressing the funding gap is essential before we can effectively discuss the adequacy of the funding cluster arrangements. Increasingly, Commonwealth-supported places are being cross-subsidised from domestic and international student fees. This is unsustainable.

A more transparent and accurate Relative Funding Model (RFM) is required to reduce the likelihood of such activities occurring and enable universities to specialise in their areas of teaching strength, as encouraged by the Minister for Science, Education and Training.

As well, whilst the HECS limitation on national priority places advantages students, paradoxically it disadvantages the university in its ability to deliver quality teacher and nursing education. Modelling undertaken at the University of Technology, Sydney, based on current levels of Commonwealth funding, indicates critical funding shortfalls which will affect the ability of our sector to deliver quality programs.

Taking education as an example, the HECS limitation translates to a potential \$962 per place (based on a 25% HECS increase) that is unavailable to institutions for education places. With around 50,000 domestic EFTSL in education across the sector, this represents a potential \$48 million nationally. The Commonwealth contribution amount has been adjusted, ostensibly to make up this shortfall. However the RFM for education of the combined Government and student contributions has actually *decreased* using the maximum student contribution rates. Education now has available only 20% more funding than the lowest funded disciplines, compared to 30% previously.

Demand for our courses continues to increase, however additional places cannot be offered without adequate Commonwealth funding.

The current arrangements provide a partial contribution only toward the real additional costs faced by universities and result in an effective annual squeeze on university resources, independent of any other changes to Government funding.

It would be remiss of this review to simply look at the funding issue in the context of individual university budgeting processes. It must be addressed at a far broader level.

The ATN recommends that the Government review and increase the overall level of funding to the higher education sector to enable the provision of quality programs.

Further feedback is provided below in relation to more specific areas of pressing concern to the ATN, which require the Government's immediate attention.

Engineering Funding Cluster

It is widely accepted that Australia is suffering a skills shortage in engineering, both generally and in specific crucial areas. An audit by DEST conducted early in 2006 found that Australia will face a shortage of 20,000 scientists and engineers within six years. The proportion of students in science, engineering and technology courses across the education sector (i.e. including the school system) has remained static or is declining.

As the group of universities which educates more than a quarter of the nation's engineers, the ATN recognises that the shortage is a complex issue. However, it is clear that Australia needs to increase domestic student recruitment in engineering through delivering up-to-date courses that have kept pace with technological change. This requires an increasing investment in necessary infrastructure.

The ATN recommends that funding for Cluster 8, within which engineering falls, be increased to take into account the impact of increasing course delivery costs and the requirement to continually invest in and maintain modern infrastructure.

Nursing Funding Cluster

HECS fees have been capped to encourage more students to consider nursing as a career. However the level of funding for nursing students has not been raised adequately to take account of many of the costs associated with the discipline. Nursing is a high-cost discipline, especially because of its clinical component.

The ATN group of universities collectively teach about 21% of Australia's nursing and midwifery students, more than any other grouping in the nation. The availability and costs

of essential clinical places is a major problem for universities which choose to run courses in this national priority area.

State government funding for clinical placements has increased, however this change does not take into consideration that a proportion of nursing studies tend to be undertaken in other faculties (e.g. science) which do not count as 'nursing' subjects for EFTSL purposes. The costs for clinical placements combined with the HECS cap makes nursing increasingly unattractive for universities to pursue.

The ATN recommends that the base funding for the nursing cluster be increased to a minimum level that will compensate for the 25% HECS cap on student contributions.

Clinical Loading

Additional funding provided to recognise the costs of training medical practitioners and nurses overlooks similar training that occurs in other disciplines. These include physiotherapy, occupational therapy, dental therapy, speech therapy, pharmacy, radiography, medical laboratory science, psychology, osteopathy, chiropractic, traditional Chinese medicine and education. These disciplines are all accredited and require training in clinical settings as part of their courses.

Universities which run these courses are generally also required to provide access to state-of-the-art instrumentation and technology likely to be found in a clinical placement setting. This is to ensure that training standards remain internationally competitive and current. Such courses are essential given labour market shortfalls and the demands of an ageing population. Therefore, it is important that provision of professional education in all these areas is not impeded by inadequate funding.

The ATN recommends the provision of clinical loading to all disciplines which are required to provide clinical placements and maintain modern equipment.