

Submission on Universities Accord (Student Support and Other Measures) Bill 2024

The Australian Academy of the Humanities is the national body for the humanities in Australia. As one of the nation's five Learned Academies, we are a unique resource for government, working to ensure cultural, creative, and ethical perspectives inform Australia's plans for now and the future.

We welcome the student support measures in this Bill. They are important and will go a long way to supporting students in need. We applaud the introduction of paid practicum placements for nursing, midwifery, social work and teaching students, the expansion of fee-free university ready courses, and the changes to how indexation will be levied.

However, for students of the humanities, the changes to indexation and the provision of fee-free university ready courses are completely undermined by the continuation of the Job-ready Graduate fee package (the JRG).

2024 is the fourth year in which students of history, philosophy, media, culture are likely to pay twice as much for their degree as students of science, IT, engineering, health, or architecture. Humanities students know that their preferred subjects equip them for informed citizenship and satisfying careers, but they will not thank the Labor Government for the punitive debt burden relative to average earnings.

In 2023, the Universities Accord final report advised that the JRG needed “**urgent** remediation”, as it had “significantly and unfairly increased what students repay” (p. 3). Labor in opposition strongly opposed the policy. But in Government, Labor has passed the resolution of this problem policy to an organisation that may or may not come into being sometime in the future, in 2026 at the earliest, the proposed Australian Tertiary Education Commission.

As the Minister for Education's own example shows (in his 15 August speech, cited below), **the JRG hurts humanities students as much as 10 times more than the fee indexation proposed in this Bill helps them.**

We urge each Committee member to state their position on the Labor Government's JRG, which:

- hits equity students especially hard
- doubles the debt for many students who seek to equip themselves for public service over and above private benefit
- discourages study of the social impact of new technologies
- strangles the 21st century skills that build economic complexity
- tips the scales further towards cultural recession and disintegration
- undermines foreign policy by penalising the study of language with culture and history
- makes history by deliberately encouraging students *not* to study history – a first in Australia.

*JRG is a punitive, ideological and divisive policy. It undermines our nation's ability to develop sovereign capability for jobs that won't be subject to automation in the future. In the interests of fairness, and Australia's security, prosperity, and self-respect, we urge Committee members to seize this last opportunity to **require the next Parliament to reconsider the Job-ready Graduates package.***

Universities Accord – Access and equity

Equity students will carry unfair debt

- Large numbers of students from groups which are historically under-represented in higher education choose Society and Culture degrees. These students are the hardest hit by the JRG. In 2022,
 - 4,800 Indigenous students enrolled in Society and Culture, compared with 3,800 in Health¹
 - 29,400 low SES students chose Society and Culture subjects, second only to Health (31,000) and ahead of Education (16,200), Management and Commerce (13,100), Natural and Physical Sciences (10,700)
 - noting also that the *proportion* of students from low socio-economic areas commencing higher education decreased after the introduction of the JRG, from 17.1 per cent in 2021 to 16.9 per cent in 2022 (enrolments declined overall, but declined more steeply among low-SES students)²
 - 29,300 regional students chose Society and Culture subjects, second only to Health (34,300)
 - almost twice as many disabled students chose Society and Culture subjects as the nearest category (28,200 vs 14,900 in Health).

As overall society and culture enrolments decline, the JRG is having a perverse impact. Students are beginning to show price sensitivity and are turning away from their preferred courses.

- The JRG is driving students away from the study of history, philosophy, media, and culture at university
 - data analysis by Yong, Coelli and Kabatek, which looked at NSW, found a 7.3% decrease in applications for history and philosophy after the introduction of the JRG, over and above the declining trend line from 2014 to 2022³
 - the study also shows that women were more price-responsive than men.
- The JRG may worsen the broader problem of declining Australian enrolments in university degrees of any kind, down by 5% from 2021 to 2022 (latest available Department of Education data).

Committee members might ask:

If the Government wants to increase participation, why is it deliberately driving students away from courses that provide 21st century skills?

¹ Department of Education figures provided to the Secretariat of the Deans of Humanities, Arts, and Social Sciences, email Rebekah Harms 24/08/2024. Rounded to nearest one hundred for ease of comparison.

² Department of Education (2024), *Key findings from selected higher education statistics, 2022*, p. 7.

³ Maxwell Yong, Michael Coelli, Jan Kabatek (2023), 'University fees, subsidies and field of study', *Working Paper No.11/23* September 2023, University of Melbourne, p. 25; for the gender result, see p. 23.

Fair policy for a 21st century workforce

Humanities undergraduates are thriving in the 21st century workforce. They are prepared to shoulder an unfair debt burden, but they won't thank Labor for it.

- A large majority of Australia's university students, including equity students, interested in the humanities know that humanities courses are right for them despite the increases in student contributions.
- These students know that by pursuing their interest in humanities subjects
 - they are more likely to complete their courses⁴
 - they will be better prepared for second degrees in professional areas
 - they are more likely than medical, biological, and other science graduates to be employed within six months of completion, and to remain employed⁵
 - they are likely, as automation replaces routine cognitive work, to earn better wages than the average graduate, and by an increasing margin⁶
 - the aptitudes and skills they obtain in humanities courses will increase in value as they advance in seniority through their careers
 - relative to their graduate peers, they will have higher average work satisfaction.⁷
- The Job-ready package hurts humanities students 10 times more than fee-indexation relief helps them
 - JRG 'increased student contributions in history studies [and philosophy, communications, journalism, media, curatorship, politics, sociology] by 117% (from \$6,684 to \$14,500 in 2021, now \$16,992) to discourage enrolments'; this change is unusually large – unprecedented in the international literature⁸
 - on 15 August in his second reading speech, the Minister for Education said that 'for someone with a debt of \$45,000, [this Bill's changes to fee indexation] will mean that their debt is cut by about \$2,000'; we would argue that this is a small mercy when over \$20,000 of this standard Arts degree debt is due to the JRG.
- The ANU's Professor in the Practice of Higher Education Policy, Andrew Norton, advises that 'the core objection to JRG is that it is leaving some students in life-changing debt for inadequate reasons. The government should have moved before now to reduce at least arts student contributions, even if a long-term, all-discipline pricing system is postponed to the ATEC period.'

⁴ While we're not aware of empirical work testing this assumption, it is often taken for granted by analysts of higher education; see, for example, <https://theconversation.com/our-research-shows-how-students-can-miss-out-on-their-preferred-uni-degree-but-theres-a-simple-fix-207415>.

⁵ See the [2023 Graduate Outcomes Survey – Longitudinal](#). Separately (and earlier), the Office of the Chief Scientist analysis of the STEM workforce showed that in 2016, the unemployment rate for people with university STEM qualifications (5.7%) was higher than the unemployment rate for people with university non-STEM qualifications (3.8%), [2020 Australia's STEM Workforce Report](#), Chief Scientist, p. 44.

⁶ HASS earnings exceeded the graduate average as of 2023, and we expect this trend to continue. *The Guardian*, 14 April 2024: 'The latest graduate outcomes survey reported the largest increase in employment rates in the field of humanities (up from 81.7% in 2021 to 86.6% in 2022). Median graduate salaries in the humanities also jumped, sitting at \$66,700 compared with sciences and mathematics at \$66,000 and business and management \$65,000.'

⁷ Deloitte Access Economics (2018), *The Value of the Humanities*, Macquarie University, , pp. 40-42.

⁸ Maxwell Yong, Michael Coelli, Jan Kabatek (2023), p. 7.

A workforce that can handle social and economic complexity

- Employers have said clearly and often that they need more graduates with the skills in which the humanities are uniquely specialised: research and analysis skills in relation to economy, society and culture; the ability to discuss and write about complex issues in ways that bring people together.
- A 21st century economy requires experts who can meet community expectations⁹
 - for disciplined learning that supports the role of civil debate, expertise and science in democratic decision-making
 - for the regulation of complex technologies such as AI
 - for cross-cultural understanding in the face of rising geopolitical tensions.
- A wealth of evidence shows a 20-year decline in Australia's cultural capability¹⁰
 - attempts to remedy this will continue to fail until there is a concerted effort by political leaders and academic leaders to build a pro-learning narrative.
- If the JRG is allowed to continue, Australia's social and cultural momentum will stall, putting our cohesion at risk, and starving the workforce of the 21st century skills needed for the transition to economic complexity
 - in a generation, the research workforce in general has gone from being comfortable to precarious; young humanities researchers are being hardest hit and, too often, are burning out¹¹
- each year that JRG debts accrue, fewer Australians can afford the double degrees or the higher degrees by research we need to keep pace with the challenges and opportunities ahead.

We urge the Committee to consider the impact of declining cultural capability at a time when social cohesion is under threat.

A final word from the Member for Fowler, the Hon Ms. Dai Le, MP: 'We cannot simply let this scheme continue to fail not only the generation of students facing this utilitarian discrimination but Australia as a whole. ... If the future offered to those who study an arts degree is one of mounting debt and high-interest payments, they will withdraw from higher education entirely. That is surely not the message that we want to send or the future that we want our students to aspire to.'¹²

⁹ The [National Science and Research Priorities](#) reflect Chief Scientist Cathy Foley's consultation; one of the five reads: 'Through research, Australia will strengthen its democratic institutions and freedoms while addressing challenges from foreign interference, mis- and disinformation, and polarisation.'

¹⁰ [Australia's China Knowledge Capability \(humanities.org.au\)](#); [Australias-Asia-Education-Imperative.pdf \(asaa.asn.au\)](#); [Invested: Australia's Southeast Asia Economic Strategy to 2040 | Australian Government Department of Foreign Affairs and Trade \(dfat.gov.au\)](#).

¹¹ Prof Andrew Norton (2020), [reviewing](#) Croucher and Waghorne's *Australian Universities: A History of Common Cause*. See also Melissa Day, Sarah Midford and Anna Kosovac, 'The national risk of being out of SHAPE', Campus Morning Mail, 6 June 2023.

¹² Ms. Le (Fowler), Le, Dai MP, Thursday, 22 August 2024 HOUSE OF REPRESENTATIVES, [Hansard](#)