

UNIVERSITIES — DEREGULATION

Motion

HON JACQUI BOYDELL (Mining and Pastoral) [11.29 am] — without notice: I move —

That this house discusses the effect of the federal government's recent decision to deregulate universities, and debates strategies for the state and federal government to ensure university placements are available to all Australians, including those in regional Western Australia.

I move this motion today in light of the federal government's recent decision to initiate a higher education reform package that includes a decision to deregulate fees. My contribution today calls on this house to consider the implications of that agenda for Western Australia, and consider specifically how students across Australia will remain engaged with higher education opportunities. That is relevant to all students seeking higher education in Western Australia, but particularly so to regional students. I will begin with a brief overview of the higher education reform agenda so that we understand some of its implications. I will follow by asking this house to consider what that means for WA, and raise some concerns I have for regional students. I will bring to the house suggested strategies that might help the federal government's reform agenda, as well as encourage and engage Western Australian students who will be part of that reform process as they aspire to achieve a higher education.

As background, on 28 August the Higher Education and Research Reform Amendment Bill 2014 was introduced into federal Parliament by Minister Pyne. The main driver for that reform appears to be the federal government budget deficit; higher education is a recurrent and significant cost impost on the commonwealth's budget via tertiary fee subsidies, the Higher Education Contribution Scheme — Higher Education Loan Program, tertiary funding, commonwealth-supported scholarships and research funding. There is no doubt that the delivery of high-calibre higher education in Australia is fundamentally important to us all for not only economic reasons—education is regarded as Australia's biggest non-mining export industry—but also social ones. Education is fundamentally important to our future development as a nation, and indeed to all of us with children, and nieces and nephews who aspire to access higher education in Australia. One of the great things about the education system in Australia is that students can aspire to achieve higher education, and I would like to see that continue. I understand the need to remain competitive in a global market, and reform of some kind is important to education on an ongoing basis; I agree with that. I have concerns, however, that the current reforms are eastern states-centric and not really relevant to the needs of Western Australia, particularly regional WA.

I will briefly highlight some of the key changes. Commonwealth funding will now support, or seek to support, tertiary as well as non-tertiary students. The government intends to deregulate fees, which will then place ownership of fee schedules on the providers. The rationale is that competition will enhance the quality of the courses, and make them more relevant to the current labour market. As an offset measure for the higher fees, the government requires those higher education providers to provide up to 20 per cent of additional total revenue to scholarship and equity-related initiatives.

The commonwealth grant scheme is part of that reform agenda. That fund pays university fee subsidies for students, and it will be reduced by 20 per cent. The interest rate on the HELP will now use the 10-year bond rate, capped at six per cent, instead of the current interest rate, which is the consumer price index of between three per cent and four per cent—quite a significant increase. There will also be new commonwealth scholarships offered that will provide opportunities for students from low socioeconomic backgrounds to access higher education opportunities. This package of reforms is in some areas viewed as an opportunity to encourage innovation and competition among providers and deliver greater choice and a higher quality of courses for students. Minister Pyne's second reading speech in August also argued that the reforms identified within this package would spread opportunity to more students, including disadvantaged and rural and regional students, equip Australian universities to face the challenges of the twenty-first century, and ensure Australia is not left behind by intensifying global competition and new technologies.

We have since heard a chorus of eastern states' viewpoints of this reform agenda, particularly among senior figures within the university sector. They have advocated support for the reforms on one hand, and consider them a much-needed undertaking. However, in amongst those advocates there are concerns, and some of the issues that have been raised are that the entry and access to university will be more about the ability and capacity to pay and take on debt, and less about the ability or desire to undertake further education. It may create a situation whereby high fees for education will be seen as a marker of quality for educational institutions, driving institutions across Australia to compete in that market and therefore charge a higher fee, again to compete for students.

The reality is that students will be paying significantly more for their education, which is a deterrent to study in itself. That situation will be further compounded by higher interest charges placed on the student loans; a bit of

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a double whammy in that respect. Unfortunately, the reality is that rural and regional students across Australia will disproportionately be affected by those changes. We have to remember that regional families also bear the cost of relocation and providing accommodation for their children to attend higher education facilities. That is a major barrier to higher education in regional Western Australia. It is creating a set of reforms that appeals to the economic mantra of reducing budgetary costs, but I feel little consideration has been given to the social implications, especially for regional students. Unfortunately, this model is very eastern states-centric, without, in my opinion, context-specific consideration for Western Australia, and fails to demonstrate effectively how it will benefit rural and regional students, as has been strongly advocated.

I will illustrate. The 2014-15 federal government budget document for the higher education reform package makes special mention of expanding the opportunities for regional and rural students. The federal government presents the view that unshackling universities, colleges and TAFEs will help to grow local communities. Similarly, with commonwealth funding now also supporting non-tertiary institutions, the government takes the view that not only will this provide a boost to regional economies and ensure that there are more skilled workers, but also education institutions will be able to grow, employ more people and invest more in their local communities. That is all fine for people who live in the eastern states, where there are larger regional centres with university campuses—I can see the linkage there. The government has a clear agenda in that area, but the geography of higher education institutions in Western Australia does not extend into regional Western Australia, because of our vast state and our remote population. How are our higher education institutions actually planning on engaging with those students so that they can actually come to their universities? I think it works for people on the eastern seaboard—I can see that—but I am just not sure that the federal government understands the unique environment of Western Australia and its geographical challenges. Simply put, I am not convinced that students in regional Western Australia will receive a benefit from these reforms, which is why I have raised it today for the house to consider.

As I said, the situation in Western Australia is unique, with limited population centres scattered across communities in remote and regional centres. Because these communities lack critical mass, higher education facilities, including TAFEs and institutes of technology, are few and far between. I will go through some of the institutions we have. Broome has a campus of the University of Notre Dame, but there has been talk that it may close. There is the University of Western Australia campus in Albany, a campus of Edith Cowan University in Bunbury, and we have several institutes of technology and TAFEs in the major regional centres, including Pilbara TAFE in South Hedland, the C.Y. O'Connor Institute in Narrogin and Northam, and the Durack Institute of Technology in Geraldton, to name but a few. The government is still working on the deemed lack of mainstream schooling in regional areas to build some depth in the delivery of that education, but we are not there yet. The linkage with higher education institutions coming to regional centres, because that is where their students are, is not being made yet. I think some subsidiary considerations need to be given to Western Australia and how we engage with those students.

We also have to recognise the problem that remote and rural areas are sometimes crippled by limited or no broadband access, which limits the utilisation of online education systems. Many university students I know these days do not attend a campus every day; they might go once a week or once every two weeks. The opportunity for higher education to be delivered through online learning is certainly there, but it is restricted in regional areas from a technology perspective. That is a barrier.

As regional members, we hear from our constituents that accommodation is the biggest single barrier to regionally based students accessing higher education opportunities in Perth. Competition for accommodation from international students and \$20 000 a year to pay for that accommodation on top of the fees means it is substantially out of the reach of many, many people. Very real barriers currently exist, and I do not believe this reform takes these factors into consideration. A recent report commissioned by the Western Australian Higher Education Council and the Department of Education Services into the unmet demand for higher education in regional Western Australia demonstrates that. It compared certain regions in Western Australia with comparative regions across Australia to draw comparisons between the two. The research revealed that higher education participation rates among 15 to 24-year-olds in regional WA are considerably lower than those in the metropolitan-Peel region. That is an evident barrier that we are not addressing. Higher education participation rates in regional WA in this age group are lower than those in the regional areas of most other states. The average participation rate in regional areas in WA is about 5.3 per cent compared with 7.2 per cent in the eastern states. That is reflective of the fact that the eastern states have regionally based campuses, so of course the rates are higher. But how we will address that for regional students and, indeed, students in Western Australia? Thirty per cent of higher education students in regional WA had to relocate to undertake study, and 80 per cent of those students relocated to Perth compared with about 60 per cent of students who relocated to major metropolitan centres in other states. That is a massive gap. That is because of the distribution of campuses in regional WA compared with the distribution of campuses in the rest of the country.

This higher education reform claims to be in the spirit of fairness and equality, but I feel that we need to have more specific strategies tailored towards education provision in WA that ensures that our students have access to higher education. I think there needs to be a regional engagement strategy to incentivise higher education providers to engage with regional students. By that I mean that they should adopt a similar framework to that which higher education institutions have for international students whereby they compete for international students. I want them to compete for regional students. I would like a framework for that to be considered. The commonwealth needs to address accommodation costs for regional students. Perhaps we could support this through a youth allowance. The commonwealth also needs to address mobile telecommunications infrastructure to support education delivery.

I call on members in the house today to consider this regional framework and what they think it might look like. At this point, I thank the house for the opportunity to raise this important issue. I look forward to the debate today. The Higher Education and Research Reform Amendment Bill 2014 has been referred to the Education and Employment Legislation Committee, which is taking submissions until 22 September, I think. This is a good opportunity for people in Western Australia to put submissions to that committee for the federal government to consider. It will enable it to understand some of the unique challenges in WA and some of the strategies that we think can be adopted to engage with regional students. We need to ensure that students in Western Australia continue to aspire to higher education and that fees are not out of context.

HON SUE ELLERY (South Metropolitan — Leader of the Opposition) [11.44 am]: I thank the Leader of the House for the courtesy. I am pleased to stand and speak on this motion. Hon Jacqui Boydell is quite right—it is the case that the federal Liberal–National government is implementing higher education changes that, to use her words, will have a disproportionate impact on regional students. I note that Hon Jacqui Boydell said that she is not convinced that students in regional Western Australia will benefit, and she is not the only person who thinks that. In fact, the university sector across the board has that point of view. I look forward, for example, to seeing her provide us with a copy of the submission that the WA Nationals will provide to the federal Liberal–National government about this issue.

There are three critical parts of the higher education “reform” that I think will have a negative impact. The first part is that, in the name of deregulation, universities will be allowed to set much higher fees. Currently, the fees are capped based on what the student is studying. Certainly, international evidence indicates that allowing universities to set fees with no real caps leads to substantial increases and, indeed, will assist the elite Ivy League universities much more than it will assist those that are not, for example, in the top eight in Australia—that is, the establishment universities, including the two in Victoria, the two in New South Wales, one in each of the capital cities and the Australian National University. The second element of the changes that will have an impact is the introduction of a real interest rate of up to six per cent on all Higher Education Contribution Scheme — Higher Education Loan Program debts. Total costs and repayment times for HECS–HELP debts will be substantially increased by the decision to change the indexation rate from the consumer price index to the 10-year government bond rate, which is capped at six per cent. That will apply to all existing debts, as well as to the debts of current and future students. The third element is the cut in public funding for university courses by up to 37 per cent, depending on which course we are talking about. It is an average reduction of 20 per cent in funding for commonwealth-supported places. About \$2 billion will come out of the university sector across Australia and it will mean that many, many universities will be forced to increase their fees by as much as 60 per cent for some degrees just to cover that funding cut.

Hon Jacqui Boydell made the point that the further away students are from population centres in education terms, the higher the costs. When those three things are added up, it will result in higher costs to students wherever they live and wherever their families are, and then the costs that Hon Jacqui Boydell referred to, whereby people in regional areas have to pay the extra cost of accommodation in the city or wherever, are added, it will have a disproportionate effect. There is absolutely no question about that.

On the issue of funding cuts to commonwealth-supported places, there are massive cuts of up to 37 per cent for some courses. For a law course, which is a popular course, the reduction in the commonwealth contribution is 7.5 per cent; for computing, it is 5.8 per cent; for education, it is 9.4 per cent; for nursing, it is 8.5 per cent; for engineering, science and surveying, it is 28.1 per cent; for dentistry, medicine and vet science, it is 15.1 per cent; and for agriculture, it is 15.1 per cent. That will have a devastating impact. To that end, the universities’ peak body, Universities Australia, has stated —

UA will be calling on Senators —

That is because it is before the Australian Senate now —

to consider improvements to the package including in three key areas:

- The magnitude of the proposed 20 per cent cut in the Government contribution to tuition fees;

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- Improving the fairness of the student loans scheme and ensuring that it is affordable for both students and the taxpayer; and
- A package to address potential market failures particularly for institutions that serve disadvantaged and regional students.

...

“The 20 per cent cut translates into almost \$2 billion being stripped from the sector, obliging universities to increase fees by an average of 30 per cent just to compensate for the proposed Government cut.

I am not going to take all the time I have available because I do not think my voice will last, but I want to make this point. We see a pattern in which the Liberal–National government defines the word “reform” when it applies to education to mean “cut”. The 20 per cent cut is not reform; it is a cut and it needs to be recognised as that.

I want to refer briefly to an article written by a friend of mine, so I declare an interest. Janice Dudley is the associate dean, learning and teaching, within the school of management and governance and is a senior lecturer in politics and international studies at Murdoch University. She wrote an article for *The Conversation* dated 20 August titled “Trickle up: only the elite will benefit from fee deregulation”, which states —

The Group of Eight universities —

I described these before —

will take the opportunity to “downsize”, to teach fewer students whilst increasing the amount spent upon each student.

Professor Ian Young, the chair of the Group of Eight universities, has said that is how they will use fee deregulation to assist them. He said that those universities will take fewer students, do less teaching and focus on research. He made the point that as they enrol fewer students, those who might otherwise have enrolled or aspired to a Group of Eight university will be available to “lower tier” institutions—that is how he describes them—and we will have a system in which everybody wins. He said that this will have a “trickle-down or flow across effect”. Janice Dudley goes on to make the point —

The proposals for deregulation which Professor Young is boosting, are presented as freeing Australian Higher Education institutions to respond creatively and innovatively both in research and teaching, and to the changing external environment. We are assured that deregulation will enable the Australian Higher Education system to become nimble, diverse, innovative and creative.

She then states —

In reality of course, the diversity and differentiation that both ... Christopher Pyne and Professor Young advocate is a hierarchy ... This new hierarchy ... will benefit some more than others—that is the very nature of competition. There is no such thing as a competition in which every player wins.

In this case, the people that she is referring to as not being among the winners come from areas that are furthest from the major population centres. She makes the point that there will be commonwealth scholarships for students from disadvantaged backgrounds and regional areas, which will ensure that our smartest students can receive a world-class education no matter where they are from. She continues —

Again the reality is more complex. It will be the student body as a whole who will be funding these scholarships—20% of an institution’s additional fee revenue will go towards Commonwealth scholarships. And again it is likely to be the Group of Eight who will benefit most—with a greater capacity to charge higher fees they will be able to offer either more scholarships should they choose to do so, or more generous scholarships. Regional and rural universities—and regional and rural areas—are likely to lose their best and brightest.

I will not use up all my time, but I want to say that the motion is interesting. There is definitely a disadvantage for regional students, and I look forward to seeing what the National Party in Western Australia will do to influence the Liberal–National government at a federal level.

HON PETER COLLIER (North Metropolitan — Leader of the House) [11.54 am]: I congratulate Hon Jacqui Boydell on bringing this motion to the house; it is a very good motion. Higher education is a dynamic and vital sector of our community, and there has always been enormous debate about the best way to deliver higher education. Higher education is now seen in a much more generic sense than just universities, because a lot more students are taking up, dare I say, non-university pathways through training providers throughout not only Western Australia but also the nation.

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The state government has responsibility for universities through different acts, but funding of universities is primarily through the federal government. As Hon Jacqui Boydell said, funding is through the Commonwealth Grants Commission, the Higher Education Loan Program, scholarship programs or a range of other specific grants processes. The changes touted by the federal government will mean a deregulation of the market. The jury is still out on that, and I have to say that I still have some concerns about what will come out at the other end. The concerns expressed by Hon Jacqui Boydell and the Leader of the Opposition are valid. It is fine for the federal government to lift the fee cap and then let the market suit itself and work out what will happen; however, that is problematic for a number of students throughout the nation, particularly those in the remote areas of the state who perhaps do not have access to higher education facilities. Opportunities for regional students now are a lot better than they were. I remember when I came down from Kalgoorlie in the mid-1970s. In those days, students had to come to the metropolitan area, as they could go only to the University of Western Australia or the then Western Australian Institute of Technology. We have moved beyond that and a lot more opportunities are available to all Western Australian students. Western Australia now has five outstanding universities—the University of Western Australia; Curtin University, which was previously WAIT; Edith Cowan University; Murdoch University; and the University of Notre Dame. Students have a raft of different options. That has occurred over the last 20 to 30 years in particular, and the status of those universities has meant more availability for students throughout Western Australia than ever before, particularly now with a lot of online learning at the higher education level. As I said, the fact that a lot of students are taking training pathways means a lot more students are undertaking post-compulsory education and extending their qualifications for employment.

The motion refers to the regions, which I feel very strongly about. I also agree with Hon Jacqui Boydell and the Leader of the Opposition that we have to make sure, in a state as disparate as Western Australia, that we provide opportunities for students who live in the regions and that they should not feel disadvantaged as a result of making a conscious decision not to live in the metropolitan area. I have to be honest that I feel our universities, with all due respect, have taken their eye off the ball a little in the last five to 10 years. Institutions at Muresk, Kalgoorlie and Broome are examples, and Albany to a degree. Since I have been Minister for Education, I have chaired the Western Australian Higher Education Council and I am aware of the genuine desire on the part of the universities to overcome the deficiencies that have emerged over recent years. Quite frankly, if the universities provide opportunities in some regions, but the demand is not there, there is not much more they can do. This is a topic of constant discussion at WAHEC meetings; we discuss learning opportunities in the regions at almost every meeting because it is so important to me. However, as the universities say, they can provide opportunities but if there is no demand in those areas, there is not much they can do about it. That is fact. As I said, the universities have taken it on the chin in discussions we have had and accepted that they can do better. WAHEC meetings in the last 12 months in particular have been very fruitful. As a result of a number of initiatives, particularly in recent years, the University of Western Australia has medical facilities in Albany, and Curtin University is trying to do as much as it can in Kalgoorlie. A massive development is expected at Agricola Residential College in Kalgoorlie to provide accommodation and facilities for Western Australian School of Mines students. In those areas in particular there have always been issues around opportunities for the regions, but there are more opportunities now than there have been in the past. Having said that, I would be very, very concerned if deregulation of the market meant a deterioration of opportunities for students in the regions and throughout Western Australia. Higher education is a multibillion-dollar industry in Australia, a multi-multi-multibillion-dollar industry internationally, and it is very competitive. A lot of the universities will have to be careful that, as a result of deregulation, their eye does not turn to the dollar and they forget about their local constituency. That is what we have to be mindful of. First and foremost, universities have to provide opportunities for students within their jurisdiction; that is what concerns me.

Twelve months ago, the Western Australian Higher Education Council gave general support for deregulation in itself, in terms of removing the shackles from universities. That had fairly broad-based support, and the Leader of the Opposition read out a quote to that effect, with a caution attached, and I support that caution. We have to be careful that, as a result of deregulating the higher education market, universities do not say, “Okay; now our focus is on attracting the very, very lucrative international market”, because if they attract the lucrative international market at the expense of the local market, they, quite frankly, will be doing a disservice to our students and our community as a whole. It is wonderful that we have these five magnificent universities in Western Australia, 11 state training providers and more than 400 private training providers, but if we are not providing opportunities for our local students, we are really missing the boat.

I took on board the concerns of the universities and, as I said, I agreed with those concerns. I feel that we need to have more transparency and a much more considered, well-organised approach to this deregulation process. As Hon Jacqui Boydell said, the federal Higher Education and Research Reform Amendment Bill 2014 has gone to the Senate Education and Employment Legislation Committee, which is due to report by 28 October 2014. I would like to think that the valid issues that have been expressed today in this chamber will be expressed through that process so that they can be ironed out when it gets down to the final consideration of that bill. The

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universities in Western Australia have shared those concerns, and I have expressed those concerns to the federal Minister for Education to ensure that he understands that although we are broadly supportive of a deregulated market, we have to make sure that we do it right and get it right. If we have blanket deregulation, which will lead to a destruction of opportunities for students in the regions and throughout Western Australia, it will be very, very difficult to support.

As Western Australian Minister for Education and chair of WAHEC, I have articulated those concerns to the federal Minister for Education. I hope he takes those concerns on board and that when the final product comes through, we will have a more dynamic and vibrant higher education system, albeit not at the expense of students throughout Western Australia.

The DEPUTY PRESIDENT: Members, I would like to take this opportunity to welcome to the chamber students from Coolgardie Primary School. I hope you enjoy your visit to the Parliament of Western Australia.

HON PAUL BROWN (Agricultural) [12.03 pm]: Before I start, Madam Deputy President, may I say that it is good to see you back in full health and back in the chair; it is a much better place for your being here!

I would like to thank Hon Jacqui Boydell for bringing this issue to the attention of the house. Like her, I have real concerns about the ability of regional students to access tertiary education in Western Australia. Let us not forget that some of our most productive university graduates have come from families in regional WA who can least afford increases in tertiary education fees and charges. I refer to an article that was published in *The Australian* of 29 July 2014 that highlights the views of former Melbourne University vice-chancellor Kwong Lee Dow. It reads, in part —

Influential former Melbourne University vice-chancellor Kwong Lee Dow has warned that once fees are deregulated, high fees will be seen as a marker of quality—driving institutions to charge high fees.

“In poorer communities, including regional and rural communities, families will not be able to meet these higher fees,” Professor Dow said last week. “So the institutions will have less funding and become less competitive over time.”

...

“Whatever finally emerges from the political machinations in the Senate, students will be paying significantly more and rural and regional students will be disproportionately affected,” ...

He noted that many regional families already faced higher costs from having to move out of home to attend university.

Professor Lee Dow said the government’s plans to match funding cuts and fee deregulation with higher interest charges on student HECS loans risked “alarming” compound interest charges.

In an article that appeared on the website of ABC Rural on 16 June 2014, it was reported —

Federal Education Minister Christopher Pyne says rural and regional students will be the biggest winners from the reforms.

“We will allow for the first time rural and regional universities to compete with the city universities on price.

As both Hon Jacqui Boydell and Hon Sue Ellery commented, that is all well and good in the eastern states of Australia where there are regional universities outside the metropolitan areas. Western Australia has some very small university campuses in some of our regional communities, such as Geraldton, Broome and Albany, but we do not have a regional university as such. Once again, this policy is very much east coast thinking. I refer again to the article from *The Australian* —

But while Professor Lee welcomed the uncapping of sub-bachelor degrees, he questioned Mr Pyne’s confidence that the move would produce a windfall for regional universities. “I don’t think the regionals are as convinced on that,” he said.

That is a fairly damning indictment of the changes that are being offered.

Regional students are also affected by their eligibility for the youth allowance. It is very costly to live in Perth, particularly for people moving from the regions. The Department of Human Services on its website sets out the eligibility requirements for accessing the youth allowance. It states —

You are considered dependent for Youth Allowance if you do not meet the independence criteria. Being dependent means parents’ or guardians’ income and assets will be used to determine your eligibility.

If students apply for the allowance under the criteria for “earnings or part-time independence”, their parents’ income is taken into account and must be less than \$150 000 a year. That is quite a low bar for most of our regional families. Families who are on farming properties and have two incomes in regional WA would struggle

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to meet that criterion; it is an amount that is very prohibitive and I would question how many students from regional WA could actually access the youth allowance. That places even more of a cost impost onto our regional students.

A course that is very popular at Murdoch University is veterinary science, for both metropolitan and regional students. Graduates from vet science are crucial to maintaining strong, disease-free agricultural industries, and I am sure that the Minister for Agriculture and Food will attest to that. Modelling by the Australian Veterinary Association estimates that repayments for a veterinary degree could nearly double to \$270 000 and take graduates from 37 to 45 years to pay off, compared with nine to 17 years at present.

While writing notes for my contribution to this debate, I noted that the coalition has a policy of delivering infrastructure for the twenty-first century.

This policy to deliver infrastructure for the twenty-first century refers to roads, building bridges and a range of other projects.

Hon Ken Travers: Not urban rail.

Hon PAUL BROWN: That is certainly something the policy does not refer to, but that is for another time.

The policy refers to improving road safety, but does not mention regional tertiary education infrastructure. The coalition's billion-dollar regional infrastructure fund will put \$200 million a year into regional infrastructure. I urge the federal government to look at investing in a regional university in Western Australia to offset the tyranny of distance and the increased cost to regional students. Along with many of my colleagues in this house, I have been around the world and seen university towns throughout the United States, Canada and Europe. University towns are amazing places and most have developed from small towns: an education body is set up to create a small university that attracts students, businesses and development. Some university towns become the biggest towns in the country. I recently happened to be in Austin, which is a very large university town —

Hon Ken Travers: It is also the state capital though.

Hon PAUL BROWN: It is also the state capital. It is far from being the biggest city in Texas, but it is fundamentally a university town. Walking around the streets of Austin, one sees students, students and more students—it is a very vibrant place. I think a university town would be a wonderful addition to regional WA. I urge the federal government, when it looks at its infrastructure and regional development funds, to consider funding regional WA to advance education rather than focusing on east coast-centric policies, which may well help regional universities in the eastern states, but do not help regional universities in WA, because we have none. Federal and state governments and local communities, but predominantly the federal government, should be looking at developing a regional university. I am sure Madam Deputy President would love to have a regional university in her electorate. I am sure my colleagues in the Agricultural and Mining and Pastoral Regions would love to have a regional university to develop towns in their regions. I call on the federal government to think about Western Australian tertiary education and to allow or to partner with our education bodies to look at delivering quality university education outside the five Perth universities and to put a regional university in country WA.

HON COL HOLT (South West — Parliamentary Secretary) [12.13 pm]: We continue to stand in this chamber to debate federal issues and policy settings that impact regional Western Australia. In my opinion it seems to be happening more and more.

Hon Ken Travers: It is since the Liberal-Nationals got elected; you're right.

Hon COL HOLT: I do not think that is quite true, I think the former Labor government had the same perspective of Western Australia.

Hon Ken Travers: You made the point that it's happening more and more.

Hon COL HOLT: It seems that the Western Australian Parliament continues to be concerned about the policy settings that come out of Canberra based on an east coast point of view, which we know does not work over here. We know we are a long way from the decision-making in Canberra, and our political system means that we do not have as great an influence as we would like in that forum. I think it is an issue —

Hon Ljiljanna Ravlich: Your member brought the motion on!

Hon COL HOLT: I know; that is why I am talking about it. Why doesn't the member give it a crack?

Hon Ljiljanna Ravlich: You said that there is no point discussing federal issues —

Hon COL HOLT: I am not saying that at all.

Hon Ljiljanna Ravlich: That is what it sounded like you were saying.

Hon COL HOLT: The member should listen more closely.

Several members interjected.

The ACTING PRESIDENT (Hon Amber-Jade Sanderson): Members, Hon Colin Holt has the call.

Hon COL HOLT: I think we will continue to see policy settings that do not consider, from our perspective, what federal policies mean to Western Australia. As a Parliament and a government we have to start thinking about how we can influence Canberra's decision-making that impact us, and what we can do to change the outcomes from our perspective. I think it is about working on the things that we can influence to promote the outcomes that we want to see. Regional tertiary education is a really good example of how we are not quite sure how policy from the federal government will land in regional Western Australia. I do not think the federal government knows how it will land. In its commentary the federal government states that it believes its policy will create opportunities. On most of the evidence that I have seen, I am not sure that it does, and I am not sure that it will. This Parliament has to find a way to change that outcome. Is it about influencing the federal government and the federal politicians who represent Western Australia through our links with the National, Labor and Liberal Parties? Maybe that is an approach we could take. We should demand that of federal members and we should never let them forget that their policies potentially have negative impacts on Western Australia. As a Parliament we may have to think about how we have been on our own for quite a while in terms of Canberra, and we may have to implement our own strategies. We do that all the time. A classic example is regional mobile telecommunications, which the state is investing in to a large degree, even though it is a federal issue, because the federal government has not fixed the problems; the black spots around the nation. What do we do? Do we sit back and whinge continuously at Canberra or do we try to find policy settings that we can implement and investment that we can provide, because the issue is way too important for our regional communities?

When I think about regional universities, I think about the University of Western Australia's Albany campus, which is really good. It is a small campus that caters for a niche of students in their first year or specialist courses. I go to the university for its awards nights and meet with the staff quite often. The quality of students and staff is quite outstanding. Why is that university model not flourishing in regional Western Australia? I think the answer is about federal policy settings and investment into those campuses out in the bush. Tertiary education participation rates are lower in Western Australia than other states, and that has to be because of access to universities and university places. The participation rate of regional students is even worse, because it means a shift to Perth. I know the Leader of the House talked about how we are much better off now than we were 25 years ago. I think that is absolutely true, but we want to ensure that our policy settings do not mean that we go backwards. I think that is the real risk right now with the deregulation of universities. I will be the first to admit I am wrong, if my concerns are shown to be incorrect—that would be good and we would see the university flourish under the changes. But I have real concerns that this policy is a way to make eastern states universities, which have a quite different model from Western Australia, flourish. Where does that leave us?

We need to think differently about the rollout of the national broadband network and the opportunities that provides for education. I am not the greatest advocate of purely isolated e-learning. A lot of universities do that now by providing online tutorials from basically anywhere in the world. People can apply to almost any university in the world for a degree or a postgraduate degree. That is absolutely a good thing; however, I have to temper that model with the group tutorial model. Exchanging ideas in the richness of a university setting, and in a university town setting as Hon Paul Brown mentioned, provides some great ways of enriching the learning experience. We need only look at the places where Facebook and all those sort of things were created. They were not created because the great minds of the creators were thinking in isolation; they were created because they were feeding off each other. They found like-minded people who could tackle the issues and come up with great ideas and work on them, and have a sense of passion and drive for them. Isolated systems have a role to play but in my opinion not a complete role, and we should be forcing some policy settings that have a combination of both. Many students like learning by themselves through a computer network, but many others need the expansive nature of interaction.

In this short time I wanted to raise my concerns about getting our federal colleagues to think about how their policy settings impact on regional Western Australia. Members can rest assured that we will take up the issue with the National colleagues we know and meet with in the eastern states and make sure that they understand our views. However, our influences are small from this side of Australia, and we need to find a way of changing that position in my opinion. We will certainly make a submission to the review committee to ensure that our information is recorded in that process, which is obviously just one of the processes we need to use.

HON ADELE FARINA (South West) [12.21 pm]: I rise to speak in support of the motion put forward by Hon Jacqui Boydell, and also to commend her for bringing it forward. This is a really important issue for regional WA. It should be an important issue for everyone right across the nation, but it is a particularly important issue in regional WA. I also commend all the speakers who have spoken on the issue to date.

It is a sad indictment on this day and age that 80 per cent of regional youth who want to pursue a university degree have to relocate to Perth to do so. I accept the argument presented by Hon Jacqui BoydeLL that the distribution of campuses in WA is an issue. I also think that the limited courses available at the campuses that we have is another significant issue that is driving the number of regional youth to relocate to Perth. It is important that members of this place understand the sorts of difficult challenges faced by regional youths and their families in pursuing university studies. We have too few regional campuses and those campuses that we do have offer such limited courses. As a result of those limitations, students who want to pursue their dream area of study have to relocate to Perth. For families, that means a significant financial burden. In many cases it is the straw that breaks the camel's back and a decision is made that they cannot afford it. Many regional students are therefore losing out on the opportunity to pursue a university degree because of the cost factor involved. For many it means taking at least a gap year and for many it means taking two gap years to accumulate some of the funds needed to support them during their university studies. In addition to that, families have to make financial sacrifices to support those students while they are in Perth studying. In some cases, families have to choose which of their children will benefit from a university degree at the expense of their siblings because they simply cannot afford to relocate all their children to Perth to undertake those studies. Those students who are lucky enough to get through those barriers and find themselves in Perth often have to undertake two or three jobs to support themselves while they also try to complete their studies. On top of that, they have to cope with separation from their family support.

Regional students therefore face huge challenges to obtain a university degree that other students do not face. That is difficult enough. On top of that, this reform agenda that the federal government has put together will have a huge impact on regional students because of the increases in course fees. Other members have referred to those increases. I do not have enough time to repeat them but they are significant increases. We are talking about increases of up to 30 per cent in course fees. Those fees will be a huge cost burden on regional families and it will prevent many more regional students from obtaining a university degree. That is quite disgraceful in this day and age and we should be preventing that from happening.

In addition to that, the Minister for Education mentioned that a lot of people these days are going on to further tertiary studies once they have their first degree. I say to the minister that with the sort of higher education contribution scheme burden that people will face once they start working and repaying that HECS burden, the chance of them looking to study for a further degree will be greatly limited. That is because they will have a huge HECS burden that they will be paying off at the same time as possibly trying to purchase a home and raise a family; money simply will not stretch that far. The ramifications of these policy implications are therefore significant.

I want to give Hon Jacqui BoydeLL an opportunity to say a few words in reply, but there is one other issue I want to raise. My concern is that as universities pursue that top dollar, they might decide that the cost burden of having a regional campus is too great. As a result of that, the few university campuses that we have in regional WA, even though they offer a very limited range of courses, will close. That will only create much more pressure on regional students and their families in making those decisions. It will close off opportunities for regional students to undertake further studies and obtain a tertiary degree to improve themselves. At a time when the federal government should be investing more in education, it is making these reforms that will be devastating to education, to advancing the opportunity of education for people living in regional WA, and at the end of the day to the advancement of our country. It is really bad policy and really needs to be reconsidered.

The ACTING PRESIDENT (Hon Amber-Jade Sanderson): Before I give Hon Jacqui BoydeLL the call, I welcome the year 9s from Trinity College and hope that they have an enjoyable visit to Parliament House.

Members: Hear, hear!

HON JACQUI BOYDELL (Mining and Pastoral) [12.27 pm] — in reply: I thank all members who have contributed to the debate today. Some really important issues have been raised that are specific to Western Australia alone. They actually give this house the imprimatur to go to our federal colleagues and make a submission to the committee that is considering this higher education reform agenda. It is a real opportunity for us to have a voice in that process, and I really hope that our federal colleagues take on that opportunity.

I want to say a couple of things in rounding off today. The Minister for Education talked about linkages for students and the need for a critical mass for those universities to provide a regional campus. I completely understand that, and I believe it links back to our mainstream education system that we in Western Australia are trying to invest in to grow the number of students in those regional areas so that their families make the decision to stay in regional WA instead of having to relocate to Perth. I therefore believe that that investment will build on the number of students. Hopefully, higher education facilities will then seek to locate a campus in regional areas that will be sustainable and will offer a wider range of courses, which I acknowledge, as Hon Adele Farina highlighted, is definitely an issue.

Extract from *Hansard*

[COUNCIL — Thursday, 18 September 2014]

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Hon Jacqui Boydell; Hon Sue Ellery; Hon Peter Collier; Hon Paul Brown; Hon Col Holt; Hon Adele Farina

One of the processes that we should consider and that the committee should take into consideration is e-learning. As I said, I hope that we can forward those thoughts to the committee and that it will take them on board.

Motion lapsed, pursuant to standing orders.