

# The Allocation and Funding of Commonwealth Supported Postgraduate Places

Consultation Paper Response

December 2011

Council of Australian Postgraduate Associations

The Council of Australian Postgraduate Associations (CAPA) is the national representative body for Australia's 320,000+ postgraduate students

Prepared by John Nowakowski, CAPA National President;

December 16, 2011

Level 1, 120 Clarendon St, Southbank, Victoria 3205

[www.capa.edu.au](http://www.capa.edu.au)

## **TABLE OF CONTENTS**

Order of Figures.....	3
Order of Tables.....	3
About CAPA.....	4
Introduction.....	4
Summary of Recommendations.....	5
The Need for Commonwealth Supported Places.....	6
The Public Good.....	6
Course Differentiation and Parallel Teaching.....	10
How Commonwealth Supported Places Should Be Funded.....	12
Criteria Assessment.....	13
Works Cited.....	14

## **ORDER OF FIGURES**

FIGURE 1 - COMPARISON OF COSTS FOR DOMESTIC POSTGRADUATE FULL FEE PAYING PLACES.....	7
--	---

## **ORDER OF TABLES**

TABLE 1 - POSTGRADUATE COURSEWORK COMMONWEALTH SUPPORTED PLACES (DEEWR, 2011).....	8
--	---

## ABOUT CAPA

Founded in 1979, The Council of Australian Postgraduate Associations (CAPA) is a membership based non-profit organisation. CAPA's main role is in protecting and promoting the interests and needs of Australia's 320,000+ postgraduate students, including the 166,000+ Domestic Coursework Postgraduates. CAPA is made up of student representative bodies from 33 of the 41 Self-Accrediting Institutions.

## INTRODUCTION

With the recent change to the demand driven funding model and the release of the Lomax-Smith Base Funding Review, CAPA sees the opportunity for the government to redress the inequitable allocation of Commonwealth Supported Places (CSPs) nationally. CAPA has developed the following principles around the support of and funding for CSPs nationally:

- Access to higher education in Australia is an inalienable right.
- A high level of participation in higher education is of both public and private benefit. Such benefits may include but are not restricted to better health outcomes, higher income levels, higher levels of interpersonal trust, and higher productivity levels across society.
- Base public funding should at least match private contributions to higher education.
- Every postgraduate course of study should include some publicly-funded places.
- The cost of postgraduate education should reflect the real cost of course delivery. The higher capacity to earn in some fields should be addressed through a taxation system rather than through higher course fees.
- When setting fees, the capacity to pay should be balanced against the societal and individual consequences of carriage of debt after graduation.
- Direct fees are not the only cost of higher education incurred by graduate students. Private contributions may include but are not restricted to foregone income, personal research expenses, and childcare costs.

## **SUMMARY OF RECOMMENDATIONS**

- Recommendation 1:** That at least 50% of all postgraduate coursework places be offered as Commonwealth Supported Places, with all courses containing at least some Commonwealth Supported Places.
- Recommendation 2:** That every course include some Commonwealth Supported Places, which are offered on the basis on means testing as well as merit.
- Recommendation 3:** That all courses demarcated “Masters (Extended)”, and all postgraduate courses accredited at level 8 in the AQF, be substantially funded through Commonwealth Supported Places.
- Recommendation 4:** That postgraduate Commonwealth Supported Places be funded to a higher level than undergraduate Commonwealth Supported Places to reflect the true cost for operation.

## THE NEED FOR COMMONWEALTH SUPPORTED PLACES

### **The Public Good**

*The Government is justified in providing funding for higher education because there is clear evidence that graduates bestow benefits on the wider community. Theoretically, private benefits might not be sufficient to motivate a student to pay full fees, and so government subsidies aim to encourage more people to participate in higher education. Such subsidies are justifiable because society reaps some of the benefits from having a more highly educated population. These wider benefits, which are referred to as public benefits in this report, include a more rapid rate of technological change, lower crime rates and a more robust civil society.*

(Lomax-Smith, 2011)

*Knowledge is almost a pure public good, as the economist Joseph Stiglitz pointed out. Once realised into the world it is available to all. Thus, basic research everywhere is government funded. It is also a global public good. The mathematical theorem retains its [value] all over the world no matter how many times it is used.*

(Marginson, 2011)

It has long been recognised that education has more benefit for a student than the increased levels of income they might be able to obtain. Both the Base Funding Review and Simon Marginson, for example, highlight that there is significant benefit for the community, and allows for fuller participation in and benefiting from the knowledge economy.

To draw on the CAPA submission to the Base Funding Review:

*Whilst there are reasonable arguments for requiring some level of student contributions in a rapidly expanding higher education system – the most compelling being that one should contribute to a degree that virtually assures one a private benefit in the form of higher salary – there are equally compelling arguments to cap student fees and maintain and increase public investment to ensure the broadest possible participation in a burgeoning knowledge economy. Submitting higher education to the vagaries of the free market has resulted in obfuscation of the actual costs of delivery, much as subsidies in agriculture have obscured the real cost of food production.*

*Forcing universities to compete for students because they are reliant on student fees to survive in the face of dwindling public investment distracts the entire sector from its 'core business' of providing education and diverts a significant proportion of already lean budgets and staff attention to marketing exercises. It also creates a hitherto unknown context for education whereby the 'most competitive' courses survive – those most focused on clear vocational outcomes,*

*rather than the production of new knowledge and future generations of critical thinkers.*

(Jonas, 2011)

Drawing further from the information provided within the consultation paper, it is possible to see that currently, the fraction of Postgraduate Commonwealth Supported Places varies greatly (Table 1). Nationally, only 21% of domestic places are offered at as a CSP, and this amounts to less than 6% of the total CSPs allocated.

Applying the principles from the CAPA Policy Document (2011) around Higher Education Funding, and built upon by the recent Annual Council Meeting of CAPA, the views on Base Funding are that there is opposition to fees, but where fees are to be applied, the preference is for Commonwealth Supported Places.

**Recommendation 1:** That at least 50% of all postgraduate coursework places be offered as Commonwealth Supported Places, with all courses containing at least some Commonwealth Supported Places.

There is further evidence within the sector that where fees are levied, equity access and participation reduces dramatically. First, comparisons of the full fee charges across the sector differed greatly, with some universities charging significantly more than others for the same course (Figure 1)

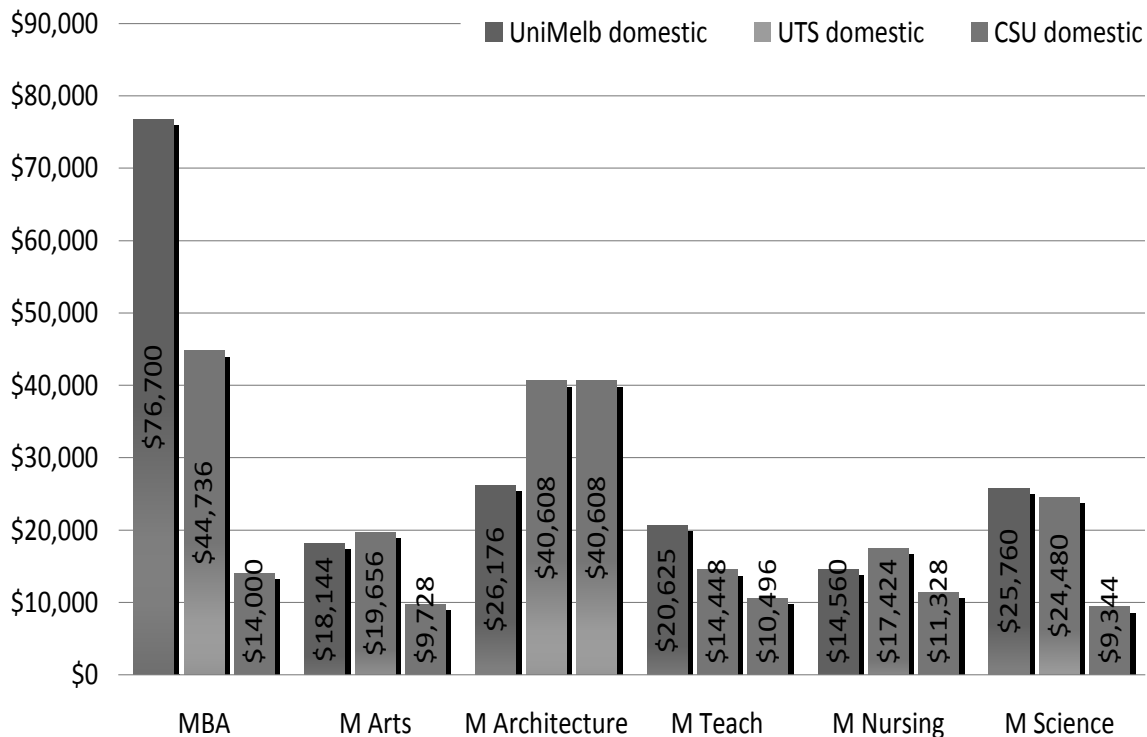


Figure 1 - Comparison of costs for Domestic Postgraduate Full Fee Paying Places (From University Websites)

Table 1 - Postgraduate Coursework Commonwealth Supported Places (DEEWR, 2011)

<b>State/Provider(a)</b>	2010 Total Domestic Postgraduate Coursework	Postgraduate Commonwealth Supported Places (2011 Est)	Fraction of Postgraduates in Commonwealth Supported Places	Undergraduate Commonwealth Supported Places (2011 Est)	Fraction of Commonwealth Supported Places allocated to Postgraduates
Charles Sturt University	7,439	1,064	14.3%	12,976	7.6%
Macquarie University	5,673	591	10.4%	14,071	4.0%
Southern Cross University	1,487	203	13.7%	6,344	3.1%
The University of New England	4,541	1,345	29.6%	7,005	16.1%
The University of New South Wales	9,498	1,359	14.3%	20,284	6.3%
The University of Newcastle	3,793	290	7.6%	17,059	1.7%
The University of Sydney	8,689	1,424	16.4%	23,344	5.7%
University of Technology, Sydney	7,152	442	6.2%	14,733	2.9%
University of Western Sydney	3,945	1,770	44.9%	23,600	7.0%
University of Wollongong	2,262	816	36.1%	11,826	6.5%
<b>Victoria</b>					
Deakin University	7,638	926	12.1%	17,808	4.9%
La Trobe University	3,876	1,050	27.1%	16,406	6.0%
Monash University	8,617	2,090	24.3%	24,023	8.0%
RMIT University	6,255	965	15.4%	15,317	5.9%
Swinburne University of Technology	3,106	86	2.8%	8,600	1.0%
The University of Melbourne	10,388	3,624	34.9%	44,195	7.6%
University of Ballarat	813	318	39.1%	1,472	17.8%
Victoria University	1,902	618	32.5%	11,660	5.0%
<b>Queensland</b>					
Central Queensland University	1,507	229	15.2%	6,189	3.6%
Griffith University	4,551	1,159	25.5%	19,983	5.5%
James Cook University	1,793	468	26.1%	8,667	5.1%
Queensland University of Technology	5,456	941	17.2%	22,405	4.0%
The University of Queensland	4,490	668	14.9%	22,267	2.9%
University of Southern Queensland	3,712	763	20.6%	8,573	8.2%
University of the Sunshine Coast	655	188	28.7%	5,081	3.6%

<b>State/Provider(a)</b>	<b>2010 Total Domestic Postgraduate Coursework</b>	<b>Postgraduate Commonwealth Supported Places (2011 Est)</b>	<b>Fraction of Postgraduates in Commonwealth Supported Places</b>	<b>Undergraduate Commonwealth Supported Places (2011 Est)</b>	<b>Fraction of Commonwealth Supported Places allocated to Postgraduates</b>
<b>Western Australia</b>					
Curtin University of Technology	5,186	540	10.4%	15,429	3.4%
Edith Cowan University	3,849	773	20.1%	12,468	5.8%
Murdoch University	1,951	284	14.6%	7,676	3.6%
The University of Western Australia	2,186	636	29.1%	12,980	4.7%
<b>South Australia</b>					
The Flinders University of South Australia	3,564	893	25.1%	9,020	9.0%
The University of Adelaide	2,367	685	28.9%	11,610	5.6%
University of South Australia	4,317	1,620	37.5%	15,000	9.7%
<b>Tasmania</b>					
University of Tasmania	3,035	1,330	43.8%	10,726	11.0%
<b>Northern Territory</b>					
Charles Darwin University	1,170	508	43.4%	3,299	13.3%
<b>Australian Capital Territory</b>					
The Australian National University	3,803	181	4.8%	6,962	2.5%
University of Canberra	2,034	618	30.4%	23,769	2.5%
<b>Multi-State</b>					
Australian Catholic University	3,763	946	25.1%	36,385	2.5%
<b>TOTAL</b>	<b>156,463</b>	<b>32,411</b>	<b>20.7%</b>	<b>549,210</b>	<b>5.6%</b>

Whilst the large differential in cost should imply that students are best served by “shopping around” nationally for the cheapest provider of their chosen degree, the debt aversion of many students plays another major influence on participation within the sector. Research completed by Universities UK found the following:

*Prospective students with tolerant attitudes towards debt were one and a quarter times more likely to go to university than those who were debt averse, all other things being equal. Debt aversion deterred entry into [Higher Education] but was also a social class issue. The most anti-debt are the focus of widening participation policies and include:*

- those from lower social classes;
- lone parents;
- Muslims, especially Pakistanis; and,
- black and minority ethnic groups.

*The least anti-debt were:*

- attending independent schools;
- from the highest social classes; and,
- men

(Universities UK, 2000)

Similar findings were reported in an investigation in Australia in 2003:

*Not surprisingly, disadvantaged students are more sensitive to financial pressures. They are more likely to: defer their HECS fees; resort to personal loans (on top of HECS debts); study part-time when they would prefer to study full-time if finances permitted; and have a restricted choice of course and university due to financial considerations. There is also international evidence suggesting that disadvantaged groups are more debt averse, even when loan repayments are income contingent. There is now also some evidence in Australia to suggest that HECS debts may be influencing the willingness of graduates to take on home mortgages.*

(Phillips Curran Consulting, 2003)

With this in mind, therefore, the need for commonwealth supported places, drawing on the 40:60 contributions outlined in the Lomax-Smith Base Funding Review, would promote and aid in the participation across the sector.

**Recommendation 2:** That every course include some Commonwealth Supported Places, which are offered on the basis on means testing as well as merit.

### ***Course Differentiation and Parallel Teaching***

Under the terms of the new Australian Qualifications Framework, there have been three forms of Masters identified: Masters (Research), Masters (Coursework), and Masters (Extended).

Putting aside the Masters (Research) as it lies outside the scope of this submission, the new Masters (Extended) – as different from the Masters (Coursework) – is defined as a 3-4 year degree, and would generally be a first experience for a student within an area (for example, the Juris Doctor, which would not normally be undertaken by a student who has just completed a Bachelor of Laws). From the AQF itself:

*The Masters Degree (Extended) is designed so that graduates will have undertaken a programme of structured learning with some independent research and a significant proportion of practice-related learning. As this qualification is designed to prepared graduates to engage in a profession, the practice-related learning must be developed in collaboration with a relevant professional, statutory, or regulatory body.*

(AQF, 2011)

It is the opinion of CAPA that these, therefore, count towards professional accreditation and can easily be separated from ‘professional development’ courses such as the MBA. Furthermore, the Masters Degree (Coursework) is noted by the AQF as requiring demonstration of “Advanced and integrated understanding of a complex body of knowledge in one or more disciplines or areas of practice” as distinct from the “broad and coherent knowledge and skills” of the Bachelor’s degree (AQF, 2011). The separation of the Bachelors, Graduate Certificate and Diploma, and the Masters is in clear recognition of the progression of knowledge and skills. Further:

*Universities have increasingly focused their attention on postgraduate coursework degrees as employers demand higher levels of training and education in a competitive employment market. In doing so, they have responded with variable success to employer demands and student expectations that postgraduate education will deliver advanced offerings.*

(Jonas, 2011)

**Recommendation 3:** That all courses demarcated “Masters (Extended)”, and all postgraduate courses accredited at level 8 in the AQF, be substantially funded through Commonwealth Supported Places.

Where fees are deregulated and postgraduate courses are funded at the same cost as their undergraduate counterparts, there are ongoing concerns throughout the sector that the quality of the education is not held to the high standards expected of the AQF. Knowing that the Base Funding Review has recommended that this situation not change, it is still the opinion of CAPA that this is not appropriate. From a 2000 study conducted by staff at the CAPA office:

*In the absence of sufficient numbers of fee-paying students, postgraduate courses are only sustainable if departments use undergraduate subjects for part of, or the entire, course. This is a controversial practice. Some academics argue that they “mark harder” and some also set additional work for postgraduate students in undergraduate subjects. Even so, it is difficult to believe that discussions in a*

*subject with twenty students comprising eighteen 2<sup>nd</sup> year and two 4<sup>th</sup> year students will not be conducted at a lower level. We contend that excessive use of undergraduate material is, by definition, “dumbing down” of postgraduate education and potentially misleading to students seeking to enrol in ‘postgraduate programmes’*

(Smith and Frankland, 2000)

With anecdotal evidence nation-wide suggesting frustration by both undergraduate and postgraduate coursework students where courses are run in parallel (sometimes referred to as parallel teaching), and with a suspected shift by some institutions from undergraduate to coursework placement purely to permit the charging of fees to subsidise income, it is imperative that appropriate levels of funding be provided to all postgraduate courses, as appropriate for the real cost of the education. This is not to say that parallel teaching is always bad – where small, rural, and regional campuses operate, there may not be another option whilst ensuring opportunities are still provided. Nonetheless, this is not necessarily the case at larger institutions, particularly those in metropolitan areas.

**Recommendation 4:** That postgraduate Commonwealth Supported Places be funded to a higher level than undergraduate Commonwealth Supported Places to reflect the true cost for operation.

## HOW COMMONWEALTH SUPPORTED PLACES SHOULD BE FUNDED

Acknowledging the challenges presented under the transition from capped places to a demand-driven system, and noting that there is currently no desire to move to a demand-driven system within the postgraduate coursework system for Commonwealth Supported Places, the following is proposed:

- As a minimum, 50% of all postgraduate coursework places are provided as Commonwealth Supported Places. These would be means tested as well as on the basis of merit (as per recommendations 1 and 2).
- The allocation of these places would be to Level 8 Postgraduate Courses and Masters (Extended) courses in the first instance, and then to the Masters (Coursework) list in the second. This allocation would permit those “professional development” courses to carry a smaller loading of CSPs, with a portion still made available to ensure equity access, whilst directly targeting courses for accreditation and the development of knowledge.
- As the current allocation of places is far below 50% (national average, 20.7%, Table 1), all universities would receive a ‘boost’ in numbers of Postgraduate CSPs.

## **CRITERIA ASSESSMENT**

It is proposed within the consultation paper that there are a number of difficulties in assessing the criteria for which courses would obtain CSPs. CAPA believes that each of these currently contains issues within their definition, and thus prefers to use a blanket approach and the terms within the Australian Qualifications Framework.

The use of professional assessment is noted as hard to define, and is often not just about the ability to be qualified to practice. A skills shortage list is often slow to update, or does not adequately reflect the needs of the community in all areas. National significance is also problematic as it may not address all areas appropriately.

Consequently, CAPA prefers to view the allocation of Commonwealth Supported Places equally across the field, regardless of the nature and outcomes of the course.

## WORKS CITED

- AQF. (2011). *Australian Qualifications Framework, First Edition*. Retrieved from Australian Qualifications Framework Council  
[http://www.aqf.edu.au/Portals/0/Documents/Handbook/AustQuals%20FrmwrkFirstEditionJuly2011\\_FINAL.pdf](http://www.aqf.edu.au/Portals/0/Documents/Handbook/AustQuals%20FrmwrkFirstEditionJuly2011_FINAL.pdf)
- CAPA. (2011). *CAPA Policy 2011*. Retrieved from the Council of Australian Postgraduate Associations [http://www.capa.edu.au/files/CAPA\\_Policy\\_2011.pdf](http://www.capa.edu.au/files/CAPA_Policy_2011.pdf)
- Jonas, T. (2011). *CAPA Submission to the Higher Education Base Funding Review Consultation Paper*. Retrieved from Council of Australian Postgraduate Associations  
<http://www.capa.edu.au/submission/2011/base-funding-lomaxsmith-review-0>
- Lomax-Smith, J. (2011). *Higher Education Base Funding Review: Final Report* Retrieved from the Department of Education, Employment, and Workplace Relations  
<http://www.deewr.gov.au/HigherEducation/Policy/BaseReview/Pages/Overview.aspx>
- Marginson, S. (2011). 'The modern university must reinvent itself to survive', *The Conversation*. Retrieved from <http://theconversation.edu.au/the-modern-university-must-reinvent-itself-to-survive-37>
- Phillip Curran Consulting. (2003). *Independent study of the higher education review: stage 2 report, volume 1 – the current situation in Australian Higher Education, Executive Summary*. Retrieved from Ministerial Council for Education, Early Childhood, Development and Youth Affairs:  
[http://mceecdya.edu.au/verve/\\_resources/exec\\_sum\\_vol\\_1\\_file.pdf](http://mceecdya.edu.au/verve/_resources/exec_sum_vol_1_file.pdf)
- Smith, B. and Frankland, M. (2000). 'Marketisation and the new quality agenda: postgraduate coursework at the crossroads' *Australian Universities Review*, Vol 43, No 2. Retrieved from Council of Australian Postgraduate Associations [http://www.capa.edu.au/files/aur\\_43-02\\_Smith\\_Frankland.pdf](http://www.capa.edu.au/files/aur_43-02_Smith_Frankland.pdf)
- Universities UK. (2000). *Attitude to Debt: School leavers and further education students' attitudes to debt and their impact on participation in higher education*. Retrieved from Universities UK:  
<http://www.universitiesuk.ac.uk/Publications/Documents/debtsummary.pdf>