

## Media release

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# Making the most of Job-ready graduates

## IRU statement on the Job-Ready Graduates Bill

With the passage of the Government's Job-Ready Graduates package through Parliament it is now for universities and the Government to ensure the best outcome over coming years. We need to take advantage of the strong elements of the package and work to minimise the impact of the weaknesses that remain.

Universities entered the current decade with the 2017 Birmingham freeze arrangements in place. This meant a continual reduction in the number of students required to earn the maximum funding available. The system encouraged universities to reduce numbers in most disciplines, other than law and business.

Against the growth in the school-age cohort, and in advance of the unexpected impact of Covid-19, change was needed. With a three-times elected Coalition Government the likely direction was clear.

IRU, like other university groups, worked to identify the good and bad of the package – to propose important changes that would make it stronger. The array of initiatives to increase higher education in regional areas is a clear strength. The commitment to maintain the value of the capped grants through indexation is a long-term fundamental for a stable system.

The option to embrace the Birmingham freeze for several more years was nice for those who aim for purity but totally inconsistent with IRU's constant argument that it was not a sustainable system. We argued the Government should put in place its preferred system. It now has and will reap the results from it.

The parliamentary process led to several improvements, most notably the significant additional funds to increase universities' maximum grant to allow for more students to be funded. This met the IRU's third area for major change.

The IRU consistently argued that the range of charges was not necessary. It would act against stimulating all Australians to gain the knowledge and skills that allows all to achieve to their best. This could have been changed without fiscal cost. Clearly, the Government is committed to price signals supported by a HELP system designed to counter price.

The revamp of discipline clusters simplifies the system. The risk is the attempt to set revenue tightly to estimates of needed expenditure. The reductions will be felt as universities prepare for 2024 when the funding safety net disappears. It will be a future government that learns the real impact.

The JRG bill dragged in the application of an extensive array of micro regulation initially designed for non-university providers, most of which did not deserve its application. Since the creation of HESA in

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2003 its main quality and accountability requirements have doubled despite TEQSA being created since then to take the main role in ensuring suitable standards of operation.

Having ramped up the extent of red tape, it is now time for the Government to convene a serious discussion with universities and other providers about what regulation is really needed to protect the Government from financial exploitation. This could lead to a serious piece of legislation to create the optimum funding regulatory system for access to government support.

There were many strange elements of the JRG discussion.

Accusations by former lawyers now in Parliament that there are too many lawyers ignored the fact that the only funding system this century that did not incentivise law enrolments was the demand-driven system between 2012 and 2017.

The party that gave us demand-driven expansion downplayed its significance to argue JRG would have more impact than any other change in living memory.

The party that ended demand-driven expansion endlessly cited the expansion in STEM enrolments it encouraged.

We heard much about the risk for humanities students of \$14,500 a year degrees, but few beyond the IRU argued that business students should not pay \$14,500 either.

The IRU set out to improve the package. We set out to inform discussion with the kind of information about past, current and proposed systems that a government committed to transparency might have done.

We will now work to make the most of the changes.

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## [About the IRU](#)

The IRU is a network of seven comprehensive universities committed to inclusive excellence in teaching and research in Australia. Its members are Charles Darwin University, Flinders University, Griffith University, James Cook University, La Trobe University, Murdoch University and Western Sydney University.