"Fair Chance for All": Can This Value Survive in Today's Higher Education Sector?

by

Kerry Ferguson
La Trobe University, Australia

There is a revolution occurring in Higher Education in Australia. The premise of "free education" in public institutions and the Government's equity goal of a "fair chance for all" have all but disappeared from the aspirations and practices of Higher Education Institutions in Australia.

Organisations now managing large, "private" businesses with, in most organisations, only a quarter of their funding from the Government, are confronted with the dilemma of managing cash flows and attracting "fee" paying customers to the programs on offer.

In 2004, Universities raised the amount of the contribution paid from students to the maximum level possible, an increase of 25% on previously capped levels. Students can opt to pay up front or defer the payment until they are earning the threshold wage of A$36,000 in 2005, indexed annually.

There is no denying the concomitant introduction of full-fee paying domestic students currently capped at 30% of current enrolments and the increased student contribution have seriously challenged previously held values of equity and access.

Higher Education Institutions are now confronting how to continue access for disadvantaged groups and facilitate participation, retention and success for students who will struggle to meet the burden of higher education fees and costs.

This presentation describes how a Higher Education Organisation is attempting to manage this complex dilemma. The strategies and partnerships with students to meet this demand are various and include scholarships, employment assistance, loans, and "free" breakfasts.

The assault on the value of access for all is debated and questions raised as to whether the responses are cosmetic only or addressing the needs of students in disadvantaged groups.

It is widely understood that education is the single most influential factor in individuals and communities achieving life goals and overcoming adversity and disadvantage.

The Australian Government has a continuing commitment to promote equity in higher education; in particular, support is aimed at improving the higher education participation of equity groups.

The Australian Government is committed to achieving equity in higher education and has developed a national and institutional plan for achieving that equity goal.

In 1990, the national equity framework was promulgated and articulated through the publication of "A Fair Chance for All" (DEET, 1990). The premise of this initiative was "Higher Education that's Within Everyone's Reach".

Growth in student enrolments had already facilitated the achievement of greater equity. Growth alone, however, was not considered sufficient, and as part of the equity framework the government identified six groups for equity planning, on the basis of their history of relative disadvantage in accessing higher education (Nelson, 2005a). These were:

- Indigenous Australians.

- People from a non-English-speaking background who have arrived in Australia within the last ten years.

- People with disabilities.

- People from rural and isolated areas.

- Women, particularly those in non-traditional areas of study.

- People from socio-economically disadvantaged backgrounds.

The framework provided institutions with funding to support these equity student groups. Funding was based on the institution's performance against the following equity indicators:

- Access – the number of commencing students for the equity group as a percentage of total domestic commencing students.

- Participation – the number of students for the equity group as a percentage of total domestic students

- Retention – the number of equity group students who re-enrol at an institution in a given year, as a proportion of the students who were enrolled in the previous year, less those who completed their course.

- Success – the student progress rate of the equity group for the previous year; that is the proportion of units passed within a year compared to the total units enrolled (Martin, 1994).

The progress of the original 6 groups since 1991 has been varied. Figure 1 maps participation of the equity groups since 1996.

Figure 1. Proportion of equity group students in higher education, 1996 to 2004
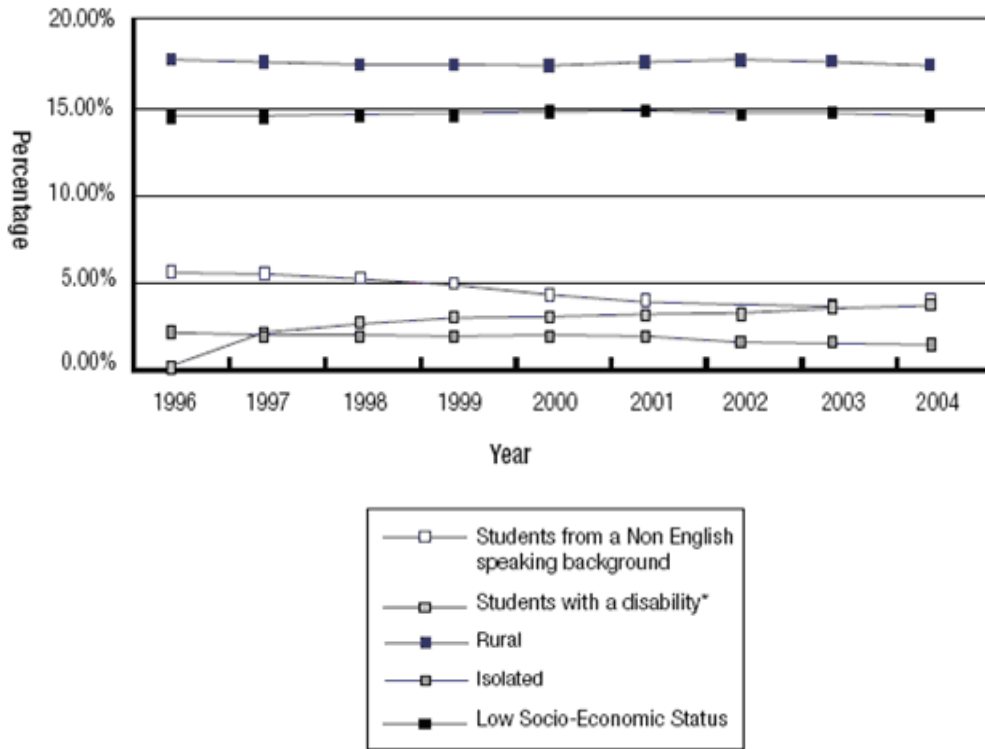
The number of students from equity groups who are participating in higher education has increased significantly, as has the number of higher education students overall. With the exception of women and students with disabilities, the rate of participation has not changed a great deal. Disability has also been difficult to monitor, as data was only collected from 1996 and inclusion and compliance issues are still being resolved. The data therefore for this group is not robust (Neslon, 2005b).

Overall, students from equity groups have tended to achieve success and retention outcomes comparable to that of other students, indicating that increasing access continues to be a key issue for improving equity outcomes.

For Indigenous students, while their access to higher education has increased substantially, albeit slowly, their success and retention rates relative to non-Indigenous students remain a cause for concern. There appeared to be an inverse relationship emerging between access, and retention and success for those institutions where access was low the students were more successful and remained.

The government had commissioned a research report, *Analysis of Equity Groups in Higher Education 1991-2002*, to inform the review of the Higher Education Program (HEEP). Guidelines were subsequently developed for the Higher Education Support Program (HESP) and the Higher Education Disability Support Program, the results released in 2004 (DEST, 2004).

The key elements of the Guidelines for the Higher Education Equity Support Program and the Higher Education Disability Support Program were:

- The Government will identify the objectives and targets of national higher education equity policy. Within this context, higher education providers will have the flexibility to determine their own objectives to suit the demographics and circumstances of their student population and catchment areas, and tailor their initiatives accordingly.

- The national priorities are to improve the participation of people from low socio-economic status (low SES) backgrounds, people with disabilities, people from rural and isolated areas and people from non-English speaking backgrounds, and to maintain gender equity as a national objective. Higher education providers will develop equity objectives targeting assistance to the identified groups, consistent with the demographics of their catchment areas, and program funds can be used for initiatives targeted to these groups.

- Equity Support funding will be allocated to higher education providers using the existing formula, but based on the number of low SES students with extra weighting given to low SES students from rural and isolated areas. The revised allocation methodology reflects this, and acknowledges the importance of low SES as a prevailing factor of disadvantage (DEST, 2004).

The Australian Government's decision to include only low socio-economic and rural and isolated groups raises several equity issues. The decision highlights the recognition of multiple disadvantage and it heralds a new position on gender equity. Women in non-traditional areas of study are no longer a specific equity group, but disadvantage associated with gender and access and participation is to be monitored with institutions free to set their own specific gender agendas.

James, *et al.* (2004) argued that Socio-Economic Status (SES) is one of the most important predictors of participation in higher education, representing the most pervasive element of disadvantage. Such authors as Anderson and Vervoorn (1983) and Postle, *et al.* 1997, are cited in their research and note that Low SES interacts with other forms of disadvantage in higher education in fundamental ways. SES is a common central element of multiple disadvantage. James, *et al.* observe that low SES appears to be a major contributing factor to the disadvantage experienced by Indigenous students and also tends to influence the impact of disadvantage experienced for other reasons by other groups in society. For example, low SES females are less likely to overcome gender disadvantage than are higher SES females. The authors also discuss students who present as low SES who are disadvantaged in a variety of other ways: such as "emotional trauma sufferers, single parents, the long term unemployed, or current or former offenders in custody".

Equity groups definitional problems were raised in the original blueprint in 1990 (DEET, 1990), but was not regarded as a rationale for not proceeding. The 2004 review resulted in very little change to the equity groups; definitional and implementation problems surfaced, coupled with a preference to be able to study changes longitudinally.

Following this review the funding for equity activities was allocated on the access, success and retention performance of only two groups of students. They are students from low socio-economic backgrounds and rural and isolated students who are from low socio-economic backgrounds. However,

universities are still required to report on their success in attracting and retaining students from three of the original equity groups – students from non-English-speaking backgrounds, students with disabilities and Indigenous students.

Funding support for students with disabilities had previously been restructured and supports available through a separate Disability Support Program. Disability-related funding from this source includes assistance with educational support and equipment costs, and performance-based funding.

Assistance is provided to institutions for their Indigenous students through the separate Indigenous Support Funding (ISF) Programme.

To be eligible for equity funding, institutions must:

- Run an outreach programme to attract equity group students to higher education.

- Offer specialised support for equity group members to assist their progression through higher education.

- Manage the Commonwealth Learning Scholarships Programme.

- And establish an institutional equity scholarship programme to complement the Commonwealth Learning Programmes (DEST, 2004, Heagney 2005).

The Higher Education Contribution Scheme (HECS)

Since 1989, Australian students in a Commonwealth funded higher education place generally have been required to contribute to the cost of their education through HECS (Kemp, 1999).

A key equity feature of HECS is that payment arrangements are based on the individual's capacity to pay. The interest free deferred payment arrangements (the amount owed is indexed to the CPI each year) mean that students are not prevented from participating in higher education by an inability to pay up front. Students who do not have the financial resources to pay their HECS contribution up front each semester may defer payment until their personal income exceeds the minimum threshold for repayments (Kemp, 1999).

In 2005, the first income threshold of repayment has been raised considerably, to just over AUD 36 000 per year.

While many critics of HECS alleged at the time that the new system would have major adverse consequences for the access of the disadvantaged, this does not appear to have eventuated as yet. Some part of HECS' success on this level relates to the significant advantages of the nature of repayment.

Since January 1997, HECS contributions have been differentiated according to three broad groups:

- Arts/humanities; justice, legal studies; social science/behavioural science; visual/performing arts; education; and nursing.

- Mathematics/computing; other health sciences; agriculture/renewable resources; built environment/architecture; science; engineering/processing; and administration, business, economics courses.

- Law; medicine, medical science; dentistry, dental services; and veterinary science (Kemp, 1999).

The lower cost band is the first group and the higher cost band is the third group.

In 2005, universities were able to set their own prices for all HECS students, up to a ceiling. With the exception of nursing and education (where no increases are allowed), the ceiling was 25% higher than the projected "standard" HECS levels in that year (Beer, 2004).

Chapman (2004) analyzed the impact of changes to the HECS system and suggested that the "lifetime profiles of graduates vary greatly and thus the impact of changes to the HECS system varies widely". In general, he concluded that low income graduates gained maximum benefit from the increased threshold.

Skotnicki (2004) suggested that some students could, however, emerge with debts of tens of thousands of dollars, which – at a maximum repayment of 6% on their income above AUD 35 000 – could depress their incomes for years.

The second significant change to student funding was the availability of loans to cover full-fee paying domestic undergraduate and post graduate courses (FEE-HELP). Loans are capped at a level of AUD 50 000 per student.

Chapman (2004), in assessing the fee loan scheme, concluded that it was "poorly designed". Firstly, he noted that universities have complete price flexibility; over time this policy would result in a significant minority of students accumulating large and arguably inequitable debts. Secondly, because a student's total loan is restricted to AUD 50 000, some individuals will very likely face the prospect of having to find money to pay up-front fees in order to complete their studies or, if eligible, take on high interest loans. This inevitably will restrict the access of the lower socio-economic students and represents a major regressive step in Australian higher education equity policy.

Equity principles were an important factor in the design of HECS, with evidence suggesting that the implementation of HECS has had no deleterious effects on the access of students from low socio-economic backgrounds over the last 15 years. When introducing HECS, the government promoted the new policy as an equity initiative. The Fee Loan Scheme (FEE-HELP) has the important potential to undo this positive feature of current Australian policy.

Institutional Funding

Barnett (2005) suggested that with only about 20% of university funding coming from the government, before contested grants come into play, institutions are increasingly looking towards international and domestic fee-paying students to prop them up.

In 2005, the maximum quota of fee-paying students rose from 25 to 35% of total enrolments in any course (Barnett, 2005).

Universities can enrol higher percentages of fee-paying students in individual years, provided the 35% is not exceeded across an entire course. This means that the 35% could be in the commencing cohort. Fee-paying students can enter university with a substantially lower entry score. Universities are setting policies to regulate the differences, but this is regulated only by the Institutions and not the government (Barnett, 2005).

The reality of the situation facing students wanting to do prestigious courses at elite universities is that you have a much better chance of getting a place if you can afford to pay.

Socio-economic disadvantage

Students from socio-economically disadvantaged backgrounds are defined as those whose home address postcodes fall within the lowest quartile for the population of a given catchment region determined by the value of the Australian Bureau of Statistics (ABS) Index of Education and Occupation. Conversely, those in the highest quartile are socio-economically advantaged.

Ruth Thompson (2003), a spokesperson for Australian Equity Practionners in Higher Education, commenting on the current changes to Higher Education Student Contributions, stated:

> Socioeconomic disadvantage, which encompasses financial disadvantage is the major factor which significantly reduces the capacity of people to take up tertiary education. The current reforms are underpinned by strategies of deferred student debt, time limits on access to public education, and the use of market factors to determine the value of education…By stating that 'Higher Education will be free at the point of entry' the current reforms fail to acknowledge that deferred debt is not entered into 'freely', and that it functions as an insurmountable obstacle or an excessive burden for many university candidates.

On public policy grounds, it is possible to justify that students contribute to their education. Barnett (2005) suggests that research is lacking on the impact on access for students from lower socio-economic groups and the choices on the types of courses and institutions made by this group. The accumulation of large debts and the accumulative effect of these debts on further life choices, such as purchasing a house or having a family, have not been investigated.

Skotnicki (2004) believes that students who come from lower socio-economic groups, with backgrounds that do not place a high value on academic achievement, or which have no family members who have attended university, already find it difficult to go to universities.

Upton (2000) believes that students will increasingly act as consumers and investigate the equity policies of universities as part of their selection process for choosing a university. Cited in Upton's chapter is the1997 guide entitled *Higher Education and Equality* by Powney, *et al.*, which was developed jointly by the Committee of Vice-Chancellors and Principals, the commission for Racial Equality and the Equal Opportunities Commission. It encourages institutions to embed equal opportunities in their practices and operations, rather than treat it as an afterthought or "add on". Among the many points made in the guide, much is said about "enhancing customer satisfaction", becoming "an employer of choice" and avoiding the costs of discrimination. These factors now widely regarded as a business cost.

Strategies and responses

How we should be responding to policy changes and the clear indication that universities will, more and more, be compelled to attract full fee-paying students, both at the domestic and international level, has been largely discussed for the latter group.

Ensuring equity for the domestic student market is still in its infancy as the sector enters a period of massive growth in this domain.

Thomas and Quinn (2003) articulate problems and solutions for students from low socio-economic status and first generation entrants. They identified such problems relating to access and success as:

- Financial barriers

- Working/part-time study

- Geographical factors

- Alienation from university culture: social and cultural barriers

- Inequalities at school level

- Attitudinal barriers

- Cumulative disadvantage

They suggested solutions and strategies at the national and institutional levels and included:

National/System

- Evaluation and monitoring

- Targeted national programmes

- Specialist access officers

- Financial support for students

- Addressing geographical factors including distance education

- Incentives to institutions to recruit

- Flexible patterns of progression

- Universities with specific targets

- Distance education

- Collecting targeted data

- Building an unbroken "educational equity chain"

Institutional

- Embedding support at curriculum level

- Pre-entry work with schools

- Transition programmes to university

- Embedding equity in strategic vision

At La Trobe University, whilst meeting the guidelines for equity funding from the government, it is also critical to the organization to know the profile of the student cohort and associated struggles to access, succeed and remain at university while, at the same time, implementing an equity training program for staff and assessing and supporting a variety of initiatives to support the "disadvantaged" student. To illustrate this focus, this paper describes how we are addressing the profiles of the students, the training

program, scholarship program and, most importantly, embedding all of the above in the strategic mission of the University.

Profiles

In 2000, the university conducted a poverty survey; the results were staggering and informed the University on many levels as to how it should be delivering programs and services and what the students valued most.

- 63% of the student cohort were then in paid employment as a main source of income.

- 42% were working 10 or fewer hours and 95 were working full time or more.

- 62% were restricted in the purchase of study materials.

- 25% considered withdrawal due to financial constraints.

- 50% had their health negatively affected, with dental care the most unaffordable service.

- 39% were eating inadequately.

- 36% believed their financial situation was negatively affecting their academic performance.

The University is only too aware that after 5 years this data will have altered and the speculation is that the situation will have worsened. The university is repeating the Survey in 2006.

A *Reference Group* was introduced to monitor and develop strategies to address student's needs and many innovative initiatives were introduced as a result of the 2000 survey. These included online second hand books and uniforms, a breakfast club, a crisis loans scheme, and a food drop particularly at the rural campuses.

Training

As an educational institution we have an important role in maintaining and promoting principles of equity and social justice.

The University conducts an Equity Staff Development Program that aims to promote the understanding and practice of human rights. This includes a focus on eliminating discrimination from our systems and practices as it relates to a range of equity groups and also includes cultural awareness training.

All supervisors and work colleagues of Indigenous Australians are provided with appropriate cultural awareness training in order to foster greater understanding of and engagement with Indigenous Australians and facilitate harmony in the workplace.

The Program is conducted in two parts, face- to-face modules and an online component, and includes understanding relevant legislation, equal opportunity and equity principles, disability support education and facilitation, Indigenous cultural awareness and anti sexual harassment and discrimination.

There is also a focus on inclusive curriculum principles and practices.

The University Council mandated that all staff undertake equity training. This is facilitated and approached in a variety of ways depending on the employment status of the staff, for example part-time, casual, seasonal, and the unit arrangements where the staff are employed.

Compliance is monitored and outcomes and evaluations are a key feature of the Program. Areas are targeted where staff are not attending and refresher programs are required every three years.

Strategic Planning

As part of the Strategic Planning process, equity data is collected and monitored. The mission statement includes a focus on *equality of opportunity* and the operational plan and outcomes report includes: benchmarks, targets and assessment of targets against outcomes. The operational plan also includes specific targets such as: increased participation of equity group students and an increased scholarship program.

Scholarships

As part of the equity reforms introduced in 2004, *Commonwealth Learning Scholarships* (CLS) were made available. There are two types of scholarships:

- Commonwealth *Education Costs* Scholarships (CECS) valued at AUD 2 042 per year (indexed) up to a maximum four years.

- Commonwealth *Accommodation* Scholarships (CAS) valued at AUD 4 084 and similarly indexed and available for up to four years.

The objectives of the Commonwealth Learning Scholarships (CLS) are:

- To facilitate choice in higher education;

- To increase higher education participation; and

- To provide a measure of financial support for students from low socio-economic backgrounds (DEST 2005).

Universities must give special consideration to Indigenous (Aboriginal and Torres Strait Islander) applicants to ensure that a fair proportion of CLS are awarded to those students (DEST, 2005).

La Trobe Study Support Scholarships (LSSS)

LSSS were introduced by the University in 2005, in parallel with the CLS, to assist students with the general costs associated with university education. An LSSS is valued at AUD 3 000 per year, for the usual duration of the course in which a student first enrols, including Honours, if applicable. 90 LSSS were available and awarded for 2005. The LSSS supports students in financial need and/or who are experiencing educational disadvantage, and who are commencing their first undergraduate studies.

Government & Institutional Scholarships
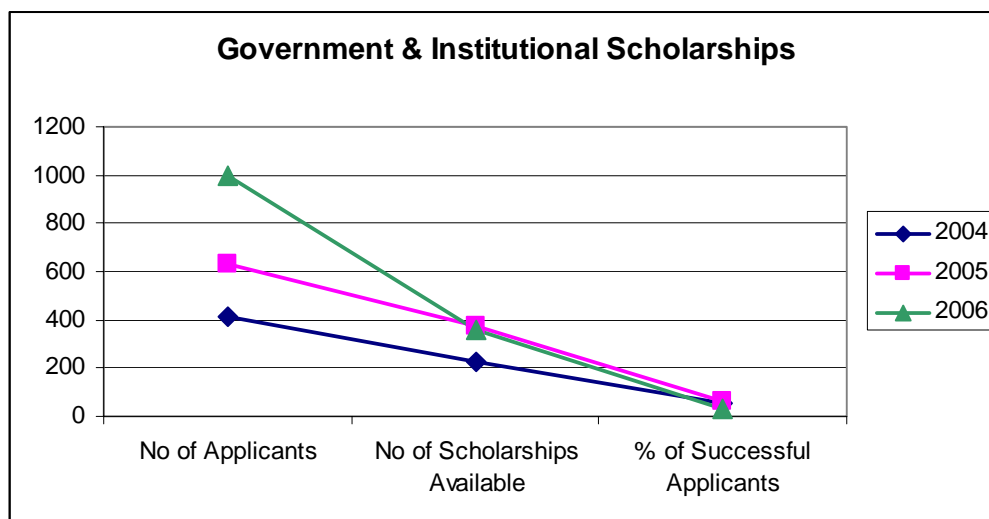
1. Data is for Government scholarships only.

The above figure is a snapshot of La Trobe University's pattern of increasing applicants. With the increased new institutional scholarships and with a stable number of government scholarships, there is still a decreasing trend of successful applicants emerging.

It was noted at the scholarship selection panels that approximately 95% of the applicants met the criteria for the scholarships.

The assumptions are that more students are aware of the availability of the enhanced scholarship program and there is more need for financial assistance for the students now in the university sector.

At a recent scholarship allocation meeting *Jack's* application was processed.

Jack applied for a AUD 2 000 Institutional merit/equity scholarship in his final year of study. His results were excellent; his personal circumstances detailed a litany of struggle against adversity.

He was a rural lad, had attended a small impoverished local school, and was designated as disadvantaged by the Government (measured by academic results and socio-economic disadvantage of the students' families).

Jack was one of four children, his three siblings still attending school. His family were small wheat farmers with a relatively small property by Australian standards. His family had suffered from the affects of long-term drought and both parents were required to seek casual work in the nearest town. Jack was required to travel back to the property (a four hour trip each way) each weekend to keep the property viable.

At the end of his second year of studies, his mother contracted a terminal disease and his father tragically died in a farming accident.

Now Jack was the primary care-giver for his siblings and his work on the farm critical to its survival. During the summer break, Jack arranged his father's funeral and worked tirelessly for his family's future.

Jack is 19 years old and wasn't sure if he was eligible for a scholarship. The value of the scholarship was AUD 2 000.

One of the new assessors for the scholarship indicated he didn't believe the story. The other members – warhorses of the scholarship selection panels – knew that Jack's story was all too common.

Is Jack's story extraordinary or do we have cohorts of students coming to University that are extraordinary and require new strategies for support? Will all of the above go anywhere near meeting the needs of the "Jacks" in our Universities or facilitating the enrolment of such students in the first instance?

References

Anderson D. and A. Vervoorn (1983), *Access to Privilege: Patterns of Participation in Australian Post-Secondary Education*, Australian National University Press, Canberra.

Barnett, D. (2005), "New Students Enter Ever Changing Environment", *AAP Newswire*, Canberra.

Beer, G. and B. Chapman (2004), *The Impact on Students of Changes to the HECS System*, National Centre for Social and Economic Modelling, University of Canberra, Canberra.

Chapman, B. (2004), "A Critical Appraisal of the New Higher Education Charges for Students", *Academy of the Social Sciences in Australia Dialogue*, Vol. 23, No. 1, pp. 61-72.

Department of Education, Employment and Training (DEET) (1990), *A Fair Chance for All*, AGPS, Canberra.

DEST (2004), *Our Universities Backing Australia's Future*, Newsletter No 15 www.backingaustraliasfuture.gov.au/implementation/pdf/news15.pdf.

DEST (2005), *Our Universities Backing Australia's Future*, Newsletter No 20 www.backingaustraliasfuture.gov.au/implementation/pdf/news20.pdf

Heagney, M. (2005), "New National Framework", *Widening Participation and Lifelong Learning*, Vol. 7 No. 1, www.staffs.ac.uk/journal/Volume71/editor.htm

James, R., *et al.* (2004), *Analysis of Equity Groups in Higher Education 1991-2002*, DEST, Canberra.

Kemp, D. (1999), *Higher Education Report for the 1999 to 2001 Triennium*, AGPS, Department of Education, Training and Youth Affairs (DETYA), Canberra.

Martin, L. (1994), *Equity and General Performance Indicators in Higher Education*, EIP, DEET, Canberra.

Nelson, B. (2005), *Higher Education Report for the 2004 to 2006 Triennium*, Department of Education, Science and Training (DEST), AGPS, Canberra.

Nelson, B. (2005), *Higher Education Report 2004 to 2005*, DEST, AGPS, Canberra.

Postle, G. D., *et al.* (eds.), *Towards Excellence in Diversity: Educational Equity in the Australian Higher Education Sector in 1995 – Status, Trends and Future Directions*, University of Southern Queensland Press, Toowoomba.

Powney, J., S. Hamilton and G. Weiner (1997), *Higher Education and Equality: A Guide*, CRE/EOC/CVCP, London.

Skotnicki, T. (2004), *Degrees of Inequality*, Business Review Weekly, August, p. 29.

Thomas, L. and J. Quinn (2003), *International Insights into Widening Participation: Supporting the Success of Under-Represented Groups in Tertiary Education Executive Summary*, The Institute for Access Studies, University Staffordshire, Staffordshire.

Thompson, R. (2003), *Equal Opportunity Practitioner Body Supports AVCC Call for a Stronger Equity Thrust in Government Higher Education Reforms*, Equal Opportunity Practitioners in Higher Education Association (EOPHEA) Media Release.

Upton, G., (2000), "Why Should Universities Bother with Equal Opportunities?", in Woodward, D. and K. Ross, *Managing Equal Opportunities in Higher Education - A Guide to Understanding and Action*, Open University Press, Buckingham, UK.