

## **Submission to Senate Inquiry into the Higher Education Support Amendment (Job-Ready Graduates and Supporting Regional and Remote Students) Bill 2020**

The Australasian Council of Deans of Arts, Social Sciences and Humanities (DASSH) recommends significant changes to the draft legislation put forward for the Job-ready Graduates Package by Minister for Education, the Honourable Dan Tehan, MP. This submission focusses on the weaknesses in the proposed legislation's amendments to **Schedule 1 – Funding Clusters**.

Our members' primary concerns about this matter are:

- Thousands of graduates will enter the workforce with unjustifiably high debts that will take them as long as 20 years to pay off.
- There is no evidence that price-signals will have any substantial long-term influence on subject selection by Australian university students.
- The claims that HASS graduates have poorer employment prospects than graduates from other disciplines are contradicted by the evidence and ignore demands from businesses and industries.
- HASS graduates will be critical to Australia's post-pandemic economic recovery and future and should be supported to the same level as graduates from other disciplines.
- The planned changes to Schedule 1 – Funding Clusters do not support the aims of the legislation.

As it stands, this new funding model's intent seems to be to drive students away from courses in Humanities, Arts and Social Sciences (HASS) disciplines. Given there is no evidence to suggest that pricing signals can effectively influence course choice in Australia,<sup>1,2</sup> it is more likely that the real effect of the policy will be to damage the long-term financial well-being of thousands of students seeking or with aptitudes for HASS learning experiences and methodologies. Modelling from the Parliamentary Library indicates these future graduates will take as long as 20 years to pay off their university loans under the HECS-HELP scheme.<sup>3</sup> Such a level of debt will have a substantial negative impact on their capacity to accumulate the wealth required to purchase their own homes or support themselves during retirement.

DASSH members view the substantial reductions in Commonwealth support for students undertaking degrees in the humanities and social sciences, including law, economics, management and communications, as a failure to recognise the contributions of these graduates to the nation's economy, society, culture and future. Although the plan to increase the total number of Commonwealth supported university places is welcome, industry, business and higher education experts all argue that Australia requires graduates with diverse skillsets.<sup>4</sup>

The disciplinary cluster funding discrepancies embedded in this draft legislation, and the intention that they influence course selection by future students, are disappointing and short-sighted. If the measures somehow

<sup>1</sup> Norton, A. (2020). Jobs, interests and student course choices, *Andrew Norton: Higher Education Commentary from Carlton*. Viewed 13 August 2020. <https://andrewnorton.net.au/2020/06/21/jobs-interests-and-student-course-choices/>

<sup>2</sup> Norton, A. (2020). Financial influences on job-seeking university applicants, *Andrew Norton: Higher Education Commentary from Carlton*. Viewed 13 August 2020. <https://andrewnorton.net.au/2020/06/28/financial-influences-on-job-seeking-university-applicants/>

<sup>3</sup> Hunter, F. (2020). Students face 20 years of debt under university fee changes, modelling finds. *Sydney Morning Herald*, 30 August. Viewed 8 September 2020. <https://www.smh.com.au/politics/federal/students-face-20-years-of-debt-under-university-fee-changes-modelling-finds-20200828-p55q8c.html>

<sup>4</sup> The Future of the Workforce: Critical drivers and challenges (2016). *Deloitte Australia*. Viewed 13 August 2020. <https://www2.deloitte.com/au/en/pages/human-capital/articles/future-of-the-workforce.html>

work to reduce the proportion of students completing HASS courses, they risk doing serious harm to an economy already reeling from the COVID-19 pandemic. HASS graduates possess some of the most sought-after skillsets of any university-educated workers and are uniquely placed to meet the workforce needs of the future due to their high levels of adaptability.<sup>5</sup>

Newly released data from the Australian Graduate Outcomes Survey<sup>6</sup> (a government endorsed longitudinal survey funded by the Department of Education, Skills and Employment) demonstrates that there is very little difference in the short (1-year post-graduation) and medium (3-years post-graduation) term employment prospects of university graduates from all disciplines. In fact, HASS graduates were found to be employed at higher rates than graduates from a number of the STEM disciplines that are promoted through reduced student contributions in the Job-ready Graduates legislation (see Appendix A).

In recent years, there has been a wealth of research published by academics, industry and consultancy groups which consistently points to the skills fostered through tertiary-level study of HASS degrees as integral to the jobs and workplaces of the future, and as the skills least likely to become redundant as a result of automation and technological advances (see, for example, Appendix B).

These skills include the ‘human skills’ of communication, creativity, cultural awareness, flexibility/adaptability, leadership, teamwork and critical thinking. Studying a discipline that helps build these skills does not exclude a graduate from a job in a STEM field,<sup>7</sup> but rather prepares them for a career in which they will be asked to regularly learn and adapt to new circumstances, technologies, people and ideas. With this in mind, the attempt to direct students away from HASS courses appears contrary to the stated objectives of the policy, particularly ‘Educating graduates for the jobs of the future’.<sup>8</sup> DASSH members agree that it is students themselves who are best placed to identify the courses which will launch their future careers. These students deserve the opportunity to undertake those courses, in whatever disciplines, at a fair and equitable cost.

Among the previous research on the value of HASS degrees is a 2018 report published by DASSH.<sup>9</sup> The report found that HASS disciplines supply two-thirds of Australia’s workforce, and that graduates of HASS degrees are highly prized and increasingly sought-after across industry groups. The report also found that HASS disciplines have been undervalued historically. As demonstrated in the considerable research generated by experts noted in Appendix A of this submission, Australia cannot afford to allow this to continue.

The reduction in support for the study of HASS disciplines is also a failure to recognise the intrinsic value of the disciplines, or of a society with an appreciation for their content and methodologies. According to Deloitte Access Economics research, those trained in HASS fields exhibit greater levels of trust, volunteerism, political

<sup>5</sup> The Value of the Humanities: A critical foundation of our society (2018). *Deloitte Australia / Macquarie University*. Viewed 13 August 2020. <https://www2.deloitte.com/au/en/pages/economics/articles/value-humanities.html>

<sup>6</sup> Survey for Graduate Outcomes (2020). *Quality Indicators for Learning and Teaching*. Viewed 7 September 2020. <https://www.qilt.edu.au/qilt-surveys/graduate-employment>

<sup>7</sup> Turner, G., and Brass, K. (2014) Mapping the Humanities, Arts and Social Sciences in Australia. *Australian Academy of the Humanities*. Viewed 13 August 2020. <https://www.humanities.org.au/issue-item/mapping-humanities-arts-social-sciences-australia/>

<sup>8</sup> Department of Education, Skills and Employment (2020). *Job-ready Graduates: Higher Education Reform Package 2020*, pg. 9. Viewed 13 August 2020. <https://www.dese.gov.au/document/job-ready-graduates-discussion-paper>

<sup>9</sup> Humanities, Arts and Social Sciences (HASS) Degrees: Powering Workforce Transformation Through Creativity, Critical Thinking and Human Interaction (2018). *Australasian Council of Deans of Arts, Social Sciences and Humanities (DASSH)*. Viewed 13 August 2020. [https://dassh.edu.au/wp-content/uploads/2019/08/DASSH\\_HASS\\_and\\_Future\\_Workforce\\_FINAL\\_Report\\_2018.11\\_21\\_.pdf](https://dassh.edu.au/wp-content/uploads/2019/08/DASSH_HASS_and_Future_Workforce_FINAL_Report_2018.11_21_.pdf)

engagement and tolerance than those without such education.<sup>10</sup> DASSH members are troubled at the prospect of a policy environment that does not value these traits.

The enormous eruptions in countries around the globe caused by COVID-19, the Black Lives Matter movement, the impact of climate change, and the growing lack of public confidence in political leaders all reveal that in this period of uncertainty, we need ways to understand the world we live in, imagine the future differently, to think creatively, and to ask questions of our world. Understanding how societies function and change and then learning how to think creatively and critically in response to those changes will not only provide new insights but will also help us to explore and understand the human experience. In summary, the changes to the funding clusters in the draft legislation risk real harm to Australia's future economic and societal wellbeing.

**Recommendation:**

The Australasian Council of Deans of Arts, Social Sciences and Humanities urges the Senate to reject the Higher Education Support Amendment (Job-ready Graduates and Supporting Regional and Remote Students) Bill 2020 on the basis that is unfair, irrational, and would jeopardise Australia's future wealth and wellbeing.

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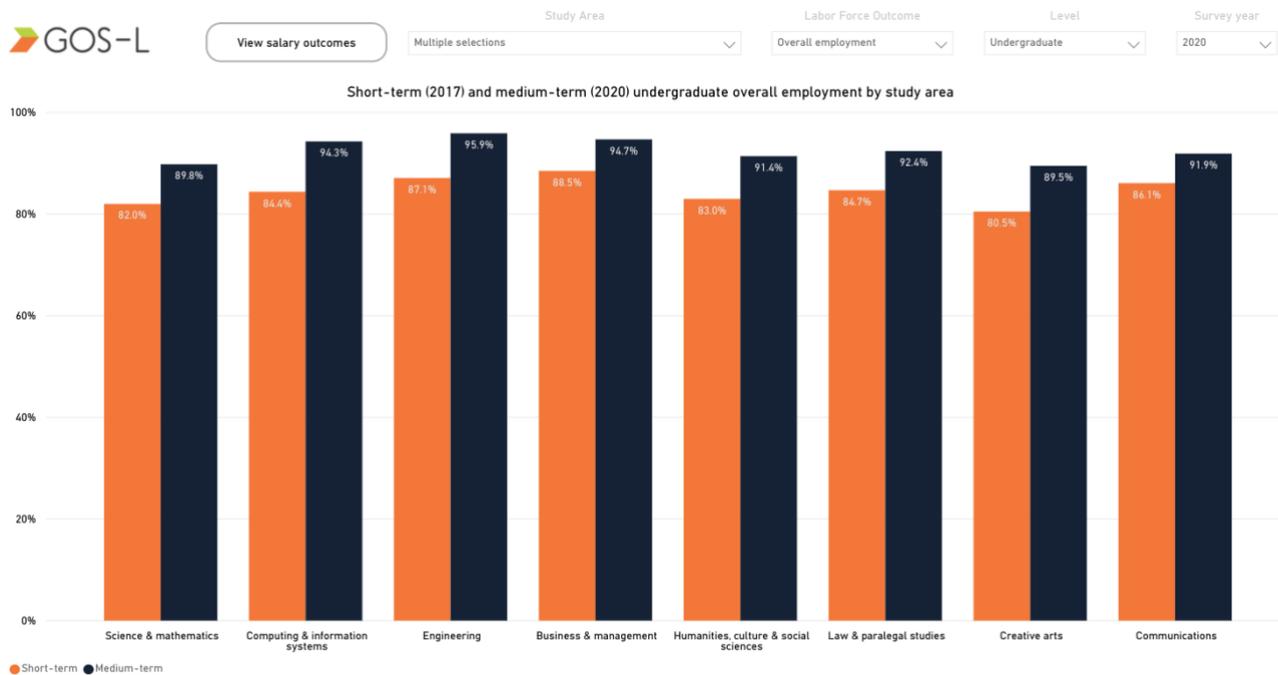
**About DASSH**

The Australasian Council of Deans of Arts, Social Sciences and Humanities (DASSH) is the authoritative agency on research, teaching and learning for the Humanities, Arts and Social Sciences (HASS) in Australian and New Zealand universities.

DASSH supports those within these institutions who have responsibility for the governance and management of research, teaching and engagement in HASS disciplines. DASSH also supports those who aspire to these positions through a Network of Associate and Deputy Deans.

<sup>10</sup> The Value of the Humanities: A critical foundation of our society (2018). *Deloitte Australia / Macquarie University*. Viewed 13 August 2020. <https://www2.deloitte.com/au/en/pages/economics/articles/value-humanities.html>

**Appendix A: 2020 Graduate Outcomes Survey, Short- and Medium-Term undergraduate overall employment by selected study areas**



Source: Survey for Graduate Outcomes (2020). *Quality Indicators for Learning and Teaching*. Viewed 7 September 2020. <https://www.qilt.edu.au/qilt-surveys/graduate-employment>

**Appendix B: Reports highlighting the value and critical role of HASS in the future economy/workforce**

- Future Workforce Insights (2020). *Accenture*. Viewed 13 August 2020. <https://www.accenture.com/au-en/insights/future-workforce-index>
- The State of the Humanities 2018: Graduates in the Workforce & Beyond (2018). *American Academy of Arts and Sciences*. Viewed 13 August 2020. <https://www.amacad.org/publication/state-humanities-2018-graduates-workforce-beyond>
- Arntz, M., Gregory, T., Zierahn, U. & OECD / Directorate for Employment, Labour and Social Affairs (2016). *The risk of automation for jobs in OECD countries: A comparative analysis*, OECD Publishing, Paris. Viewed 13 August 2020. <https://futuroexponencial.com/wp-content/uploads/2018/02/OECD.pdf>
- Humanities, Arts and Social Sciences (HASS) Degrees: Powering Workforce Transformation Through Creativity, Critical Thinking and Human Interaction (2018). *Australasian Council of Deans of Arts, Social Sciences and Humanities (DASSH)*. Viewed 13 August 2020. [https://dassh.edu.au/wp-content/uploads/2019/08/DASSH\\_HASS\\_and\\_Future\\_Workforce\\_FINAL\\_Report\\_2018.11\\_21\\_.pdf](https://dassh.edu.au/wp-content/uploads/2019/08/DASSH_HASS_and_Future_Workforce_FINAL_Report_2018.11_21_.pdf)
- Turner, G., Brass, K. (2014) Mapping the Humanities, Arts and Social Sciences in Australia. *Australian Academy of the Humanities*. Viewed 13 August 2020. <https://www.humanities.org.au/issue-item/mapping-humanities-arts-social-sciences-australia/>
- Qualified for the Future: Quantifying demand for arts, humanities and social science skills (2020). *The British Academy*. Viewed 13 August 2020. <https://www.thebritishacademy.ac.uk/publications/skills-qualified-future-quantifying-demand-arts-humanities-social-science/>
- The Future of the Workforce: Critical drivers and challenges (2016). *Deloitte Australia*. Viewed 13 August 2020. <https://www2.deloitte.com/au/en/pages/human-capital/articles/future-of-the-workforce.html>
- The Value of the Humanities: A critical foundation of our society (2018). *Deloitte Australia / Macquarie University*. Viewed 13 August 2020. <https://www2.deloitte.com/au/en/pages/economics/articles/value-humanities.html>
- Frey, C.B. & Osborne, M.A. (2017). "The future of employment: How susceptible are jobs to computerisation?", *Technological forecasting & social change*, vol. 114, no. January, pp. 254-280. Viewed 13 August 2020. [https://www.oxfordmartin.ox.ac.uk/downloads/academic/The\\_Future\\_of\\_Employment.pdf](https://www.oxfordmartin.ox.ac.uk/downloads/academic/The_Future_of_Employment.pdf)
- Hajkowicz, S.A., Reeson, A., Rudd L., Bratanova, A., Hodgers, L., Mason, C., Boughen, N. (2016). *Tomorrow's Digitally Enabled Workforce: Megatrends and scenarios for jobs and employment in Australia over the coming twenty years*. CSIRO, Brisbane. Viewed 13 August 2020. [https://www.researchgate.net/profile/Claire\\_Mason/publication/299953345\\_Tomorrow's\\_digitally\\_enabled\\_workforce\\_Megatrends\\_and\\_scenarios\\_for\\_jobs\\_and\\_employment\\_in\\_Australia\\_over\\_the\\_coming\\_twenty\\_years/links/570728ee08aefb22b0934be9.pdf](https://www.researchgate.net/profile/Claire_Mason/publication/299953345_Tomorrow's_digitally_enabled_workforce_Megatrends_and_scenarios_for_jobs_and_employment_in_Australia_over_the_coming_twenty_years/links/570728ee08aefb22b0934be9.pdf)
- Kreager, P. (2013). *Humanities Graduates and the British Economy: The Hidden Impact*, Institute of Human Sciences, University of Oxford. Viewed 13 August 2020. <https://apo.org.au/sites/default/files/resource-files/2013-07/apo-nid69766.pdf>
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- National Skills Commission (2019). *2019 Employment Projections - for the five years to May 2024*. Viewed 13 August 2020. <https://lmip.gov.au/default.aspx?l=MIP/GainInsights/EmploymentProjections>
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