



## Pyne backs down on cuts to tertiary education funding – for now



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### The Minister's threats did not work

In the 2014 Budget last May, the Government planned to cut the funding to the Commonwealth Grants Scheme by 20 per cent and to deregulate fees charged by universities, as part of a Higher Education and Research Education Bill. This was all part of a plan to save \$4 billion over four years. However, when it was clear that the Senate would not pass this legislation, Minister Pyne announced that funding for the \$150 million/year National Collaborative and Research Infrastructure Strategy (NCRIS) was, as he said, 'inextricably linked' to the passage of fee deregulation and its funding would be cut off if the whole Bill was not passed. 'You can't do one without the other', he said.

This is when the science community and business, started to lobby hard about the state of science funding. They warned that the uncertainty over funding from 1 July 2015 meant that over \$2 billion of public investment was at risk and several NCRIS facilities would have been shut down. It is not clear what effect these submissions had on the Government.

However, the Senate defeated the Bill 34 votes to 30 and the uproar, not only in the Senate, but throughout the Tertiary Education sector and in industry was such that the Minister changed his mind and he has preserved the NCRIS funding for another year. Furthermore, the 20 per cent cut to the Commonwealth Grants Scheme will not be applied until this is considered by the parliament as a separate Bill. And the deregulation of university fees will be assessed in another Bill at a later date.

In essence, the original proposal tabled in May last year has unravelled and the Government will have to start all over again. This may not be a bad thing, because it will provide an opportunity to examine in more detail precisely what sort of higher education system we need and how best to fund it. The real tragedy is that the Government did not seem to realise the importance of the Australia's science research programmes. And that is a real worry.

### The Australian Academy of Science welcomed the back down

The Australian Academy of Science (AAS) was one of the first agencies to welcome the government's back down. But while the decision to fund NCRIS for another year was welcomed, it is obvious that long term science research budgets are in a precarious position. For the moment the funding for 2015–16 will allow the continued operation of 27 facilities established under NCRIS. These support fundamental and applied research in everything from astronomy to deep-ocean measurement and medical research.

According to the AAS 'These facilities are used by more than 35,000 researchers in Australia and overseas and directly employ 1,700 highly trained staff'.

However, it is totally unsatisfactory for the funding of science research to be considered on an *ad hoc* year by year basis. There needs to be a long-term funding commitment for the essential infrastructure that gives researchers and industry in Australia the certainty they need. As the Chief Scientist Ian Chubb said earlier in the week, many of the brightest and best are applying for jobs overseas because of the uncertainty in Australia. This situation must change if Australia is to advance as a nation.

### Government needs to prioritise funding allocations

Ironically in 2013 Australia's median per capita wealth of \$US 219,500 was the highest in the world (Credit Suisse Research Institute, October 2013) and yet in 2014 the Government cut programmes and services as though we were going

broke. We have the wealth, but we are not making the best use of it. We should be able to afford top quality health and education systems that do not discourage people from visiting their GP and provide educational opportunities for people from all socio-economic backgrounds. These goals do not appear to be at the centre of the government's thinking.

A good dose of prioritisation would benefit government thinking, because no overall plan to provide funding has been released across the whole of government.

For example, why do we need eight submarines? Why are we spending more than 500 million/year to help one side of a Sunni/Shia civil war? How is it that we can find hundreds of millions of dollars to commemorate a battle we lost 100 years ago? Why do we have to cut our foreign aid budget? Why has the Commonwealth ceased to fund the sealing of water bores in the Great Artesian Basin? Has a cost benefit analysis been done on the money that has been and will be spent on spy agencies? And, why would we be funding a \$250 million chaplaincy scheme when there is not enough legal aid money to support the very poor when they have to go to court? These are just some of the questions that need answering.

The government should sit down and work out what its priorities are, articulate how these will benefit the nation and how the programmes can best funded. Furthermore the results of the prioritisation should be presented so that the community can see the reasoning behind the decisions. To date the whole plan appears to be 'we must fix the mess that Labor left us and get rid of the debt'. There is very little talk about what 'we' are trying to achieve, other than to balance the budget. If we are not careful we could finish up with a second rate manufacturing industry and having to rely more and more on the resource and agriculture industries. These are good stalwarts, but we should be doing more, otherwise we may become a nation of baristas and bartenders.