



# Australian Government Competition Policy Review

Bond University

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## **Bond University Submission to the Australian Government Competition Policy Review**

Bond University believes that greater diversity and stronger competition in the higher education sector will deliver increased benefits for all Australian students. We have long argued that common funding arrangements and regulatory requirements have held back the entrepreneurial spirit of Australian public universities and made the sector less responsive to the changing requirements of our students. Our system has encouraged conformity and uniformity over diversity and difference.

Most importantly, a higher education system that lacks diversity will compromise the student experience. Our students need a system that can provide, throughout their life, the broad range of knowledge and experiences that are needed to prosper in our increasingly globalised economy.

Since its establishment 25 years ago, Bond University has educated more than 12,000 Australian graduates at little cost to the Commonwealth. We are the only Australian private, not-for-profit university which has not received any Commonwealth Government subsidy to off-set the tuition cost of domestic undergraduate students. However, our domestic graduates deliver the same public benefit to our nation as those from the public university sector.

The 2014-2015 Federal Budget measures raise some complex issues for Australia's higher education sector. However, at the heart of the reforms is the creation of a more level playing field. The proposed higher education settings are consistent with the principles of competitive neutrality. They will promote more efficient competition between public and private institutions and encourage the development of a more resilient sector that is better able to deliver on our students' and our nation's needs.

Important measures in the 2014-15 Budget that will ensure that private Universities can compete with government universities on a level playing field include:

- The removal of the 25% loan fee applied to FEE-HELP loans for fee-paying undergraduate courses: This loan fee unfairly penalises students who choose a private higher education. The loan fee does not apply to students who choose a public University. The removal of this loan fee means equal access to loans for all students.
- The removal of the current lifetime borrowing limits of FEE-HELP loans: Currently there are no borrowing limits for students who choose a public University which means that students attending Government institutions enjoy an advantage over their private colleagues.
- The extension of Commonwealth Government subsidies for higher education to all undergraduate and sub-degree students who choose a non-public institution and the development of differential funding levels so that the subsidy appropriately reflects the different expectations and obligations of the different groups of institutions within the sector: The extension of these subsidies will promote efficient competition between public and private institutions.

These elements of the current Government's policy platform are important in that they provide a practical response to the key questions raised within the Competition Policy Review's terms of reference.