

Australian Catholic University

Submission to the Senate Education and Employment Legislation Committee

Inquiry into the Higher Education Support Amendment (Reverse Job-Ready Graduates Fee Hikes and End 50k Arts Degrees) Bill 2025

April 2026

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Australian Catholic University (ACU) welcomes the opportunity to make a submission to the Senate inquiry into the Higher Education Support Amendment (Reverse Job-Ready Graduates Fee Hikes and End 50k Arts Degrees) Bill 2025.

ACU acknowledges the intent of the Bill to repeal student fee increases introduced under the Job-Ready Graduates (JRG) policy package legislation. The Bill would restore maximum student contribution amounts for a range of units of study including Law, Accounting, Administration, Economics, Commerce, Society and Culture, and Communications, to their pre-2021 rates (adjusted for indexation as of 1 January 2026).

ACU is, in principle, supportive of the intent of the Bill to reduce student debt burden arising from the JRG package reforms. However, **ACU cannot support the Bill in its current form** as amendments are required to ensure total resourcing for student places in individual fields of study is not reduced. Without commensurate increases to Commonwealth contribution amounts, there is a risk to course delivery viability and the financial sustainability of Australia's higher education sector. Furthermore, any reduction to the student contribution amounts for the fields of study most impacted by the JRG package should not result in fee hikes for students in other fields of study, especially in critical areas of workforce need such as teaching, nursing and broader healthcare.

The JRG reforms introduced significant complexity to Australia's higher education funding system. Universities have also been facing increasing regulatory and reporting burdens. Adequate and stable funding arrangements are essential to support the Federal Government's equity agenda, meet higher education participation targets, and contribute to Australia's long-term socioeconomic progress.

ACU recommends the Senate Committee:

1. Urge the Federal Government to implement, as a matter of priority, the recommendations of the Australian Universities Accord to replace the JRG package. A phased approach may be necessary to expedite the reduction of student fees (student contribution amounts) and at least commensurate increases to the Commonwealth contribution amounts, for the priority fields of study identified by the Accord; and
2. Affirm the need to rationalise, simplify and streamline university base funding arrangements, and embed more equitable funding policy in the higher education system. With the establishment of a permanent Australian Tertiary Education Commission (ATEC) it will be important to draw upon ATEC's advice on these matters.

Australian Universities Accord Recommendations

The Australian Universities Accord (2022-2023), the first comprehensive review of Australia's higher education system since the 2008 Bradley Review, found the JRG package has failed and recommended that it be replaced as a matter of priority:

The Job-ready Graduates package needs urgent remediation. Its intended purpose of influencing students' choice of courses through price signals has failed. While some students are paying less, the overall funding balance has shifted in the direction of lower government contributions and higher student contributions. Many students have extremely high student contributions resulting in large HELP loans that do not reflect their future earning potential.¹

Despite this recommendation for urgent action, the JRG package remains in place.

¹ O'Kane, M., Behrendt, L., Glover, B., Macklin, J., Nash, F., Rimmer, B., & Wikramanayake, S. (2023). *Australian Universities Accord Final Report*, p. 155.

Equity considerations and impacts

ACU is concerned by the equity impacts of changes to student fees and base funding introduced by the JRG package, particularly the significant increases to student contribution rates for the humanities, society and culture, and communications. The Accord identified that while the rationale behind the JRG package was to use price signals (through student fee amounts) to influence student subject choice in higher education, this failed with only 1.5% of students applying to enrol in courses they otherwise would not have applied for under previous arrangements (i.e., pre-JRG student contribution rates).² At the same time, the JRG policy package has “unfairly affected some students”, leaving them with extremely high student loan debts not reflective of their future earning potentials.³

Sector analysis has consistently identified that JRG funding settings are complex, misaligned with stated policy objectives, and disproportionately affect equity groups; especially females, students from regional and remote areas, and Indigenous students.⁴ The policy “is leaving some students in life-changing debt for inadequate reasons”, places “unfair debt burdens on students in arts, law and business”, and there is a case to at least prioritise reducing fees in the most affected fields of study.⁵ The Accord, notably, recommended government prioritise addressing “the most significant impacts [of the JRG package] starting with students in humanities, society and culture, communications and human movement” which saw a 113% rise in student contributions under the JRG package.⁶ The policy also affects higher education mobility and pathways for equity groups. As a sector representative illustrated:

We've got to remember that the arts degree, in particular, is the degree of choice for Indigenous, low SES and women. It is their pathway to a law degree and other programs, starting with an arts transfer, so we're pricing them out of the key pathway to mobility. What the data shows is that, particularly for those students across the period 2020-2024, we see low-SES commencements down just under 10 per cent...

[T]hose the system should serve are being cut out by a pricing scheme that is very unfair and regressive.⁷

The Federal Government’s equity targets and broader objectives to support Australia’s socioeconomic progress through increased higher education participation can only be achieved with adequate investment in the sector. In addition to increasing student contribution rates in certain fields of study, the JRG package also reduced base funding available to universities to deliver courses in other fields of study; for example, science, engineering and mathematics which are “critical to future jobs and innovation.”⁸

For the students most affected by the JRG package reforms, the longer-term consequences of increased debt remain uncertain, but raise concerns regarding financial stress, students’ mental health and wellbeing and/or risk of experiencing mental illness, especially for those from equity groups.⁹ The wider

² Ibid, p. 4.

³ Ibid.

⁴ Innovative Research Universities. (2022). *Job-Ready Graduates: Principles and Options for Reform*. <https://iru.edu.au/wp-content/uploads/2022/09/IRU-Discussion-Paper-JRG-September-2022.pdf> ; Innovative Research Universities. (2020). *How Job Ready Graduates Student Charges Impact Different Groups of Students*.

⁵ Norton, A. (2024, July 18). *Job-ready Graduates Price Effects?: An Update with 2022 Enrolment Data*. <https://andrewnorton.id.au/2024/07/18/job-ready-graduates-price-effects-an-update-with-2022-enrolment-data/> ; Norton, A. (2025, August 29). *Australian Uni Enrolments Have Declined. But is Job-Ready Graduates to Blame? The Conversation*. <https://theconversation.com/australian-uni-enrolments-have-declined-but-is-job-ready-graduates-to-blame-264043>

⁶ O’Kane et al., above n 1, pp. 166, 281.

⁷ Senate Education and Employment Legislation Committee, *Proof Committee Hansard: Universities Accord (Australian Tertiary Education Commission) Bill 2025* (2026, February 13), Commonwealth of Australia, p. 4 (Williams, G.).

⁸ O’Kane et al., above n 1, p. 15.

⁹ Russell, J., Austin, K., Charlton, K.E., et al., (2025). Exploring Financial Challenges and University Support Systems for Student Financial Well-Being: A Scoping Review. *International Journal of Environmental Research and Public Health*, 22(3), 356. <https://doi.org/10.3390/ijerph22030356> ; Gair, S. (2018). *Financial Stress Puts Students at Greater Risk for Mental Illness*. Australian Centre for Student Equity and Success; Origen, The National Centre of Excellence in Youth Mental Health. (2017). *Under the Radar: The Mental*

human and societal impacts of rising student loan debts on, for example, home ownership, family planning, and individual health and wellbeing which may not be readily quantified are significant issues of concern.

Socioeconomic benefits of the humanities and social sciences

ACU also takes this opportunity to emphasise the intrinsic value of a university education and the essential contributions of humanities and social sciences education to national development and Australia's social, economic and civic life. Australia needs to ensure support for diversity in its university graduates, across all fields of study and all socioeconomic groups. Innovation and development is fuelled not only by technical skills and expertise but also requires lateral thinkers, creatives, those who can think “outside the box”, contributing to Australia's knowledge economy. Research by the Australian Academy of the Humanities indicates the general public recognises the value of humanities skills and capabilities¹⁰ and there is a clear need for these graduates in Australia's current and future workforce:

*Australia's workforce, economy and society will need both specific attributes and broad capabilities of a humanities education: critical thinking, analytical and research skills, and the ability to grapple with and communicate complex ideas.*¹¹

Individuals should be encouraged and supported to pursue higher education in the fields of study that complement and strengthen their interests and skills sets. Notably, some students also opt to combine disciplines, for example a humanities degree with a professional or vocationally-oriented degree (or vice versa) to gain a broader educational experience. High fees should not discourage or penalise such choices. Indeed, interdisciplinary learning is increasingly valued across industry, research and innovation and should be actively supported. This requires that higher education is affordable for all and does not impose a disproportionate, lifelong debt burden on individuals.

Health of Australian University Students. <https://www.orygen.org.au/Orygen-Institute/Policy-Reports/Under-the-radar/Orygen-Under-the-radar-report>

¹⁰ Australian Academy of the Humanities. *The Future of the Humanities in Australia: Understanding Australia's Humanities Workforce and Planning for its Future.* <https://humanities.org.au/our-work/projects/humanities-graduates-essential-to-future-workforce/> ; Damousi, J. (2020, June 21). *Why We Need Humanities Graduates in our Workforce.* <https://humanities.org.au/power-of-the-humanities/why-we-need-humanities-graduates-in-our-workforce/>

¹¹ Damousi, J. (2020, June 21). *Why We Need Humanities Graduates in our Workforce.* <https://humanities.org.au/power-of-the-humanities/why-we-need-humanities-graduates-in-our-workforce/>