Australia Approves Sweeping Higher-Education Law, Allowing Universities to Raise Tuition

By DAVID COHEN

Australia's Parliament approved last week a raft of far-reaching changes to the country's higher-education system that supporters and detractors alike describe as a revolution in how students there will finance their university educations.

Under the legislation, the first of its type to be considered in 15 years, Australian universities will be able to increase their tuitions by up to 25 percent, and more than one-third of all students will have to shoulder the entire burden of their college costs.

At the same time, the government will make available more scholarships for needy students and more low-interest loans, and it will require borrowers to repay only those loans that exceed 35,000 Australian dollars, or $26,000.

The changes are considered especially significant in a country that historically has valued the widest possible access to its institutions of higher learning.

A number of contested features in the initial proposal, including provisions that would have limited the bargaining muscle of the country's academic union, were eventually dropped, at the request of four members of Parliament whose votes were essential to the law's passage. Even so, the law's approval had remained in some doubt until a midnight vote held last Thursday, and final approval came on Friday, the last day of the legislative session.

Australia's education minister, Brendan Nelson, described the legislation's passage as "a historic day for higher education" and a milestone "in the economic and social development of our country."

Carolyn Allport, president of the National Tertiary Education Union, said the vote had occasioned both "jubilation" and "quiet despair" for her and her 26,000-strong organization of professors and university staff members.

Ms. Allport said she was pleased that the government had dropped the proposals to curtail the union's power, but added, "I really do despair over what this means for students, whose debt is going to spiral higher faster than it ever has before."

By the union's reckoning, a majority of students could be looking at annual tuition costs of around $7,400 by the 2005 academic year, a figure significantly higher than in many other countries where universities are state-subsidized.
Australia's trend-setting Group of Eight universities -- an antipodean version of the Ivy League -- has already indicated that it will quickly introduce the higher fees.

Ms. Allport predicted that the issue could become important in next year's federal election campaign.

The Australian Vice-Chancellors' Committee, which represents the country's university presidents, was generally happy with the package, especially the newfound flexibility it would allow.

The university heads would seek only a number of smaller "refinements" they would like to see added to the legislation, said the group's chief executive, John Mullarvey.