FED: Uni report 'greases way' for private firms

SYDNEY, Oct 24 AAP - A report calling for Australia's universities to reinvent themselves in order to survive beyond the next decade is designed to grease the way for more private sector involvement, the Greens say.

The Ernst & Young report, released on Wednesday, predicts that in 15 years public institutions will be run more like corporations but seek to maintain the freedom of inquiry and academic rigour that their long-term reputations rely on.

"There's not a single Australian university that can survive to 2025 with its current business model," report author Justin Bokor said.

"At a minimum, universities will need to get much leaner, both in terms of the way they run the back-office, and in use of assets."

The report suggests universities struggling with falling government funding could evolve in a number of ways, including through partnerships with the private sector.

But Greens MP Lee Rhiannon said privatisation was a "bankrupt solution" that would lead to higher student fees, and course and staff cuts.

"(The report) really designed to grease the way for the private sector to move in on universities and to try and make a profit from students who are entitled to a quality public education," Senator Rhiannon told reporters in Sydney.

"The challenges facing public university education in Australia can be best met by increased government funding."

AAP ab/tr/wf
Evolving nature of work under the microscope

Tender watch
Christopher Jay

The federal government is to commission a far-reaching review of the nature of work and employment in Australia, ranging from job satisfaction and issues in the workplace through to its wider effects on society.

The proposed work project could delve into several fundamental debates under way, from moves to encourage people to work beyond the age of 65 (and for employers to facilitate rather than impede this), through to the rise of independent professional workers rotating through a variety of jobs.

Melbourne-based tenders specialist TenderSearch says those interested should respond by November 19 to an agency under the Federal Department of Industry, Innovation, Science, Research and Tertiary Education.

The department envisages a two-stage project, to be complete by August next year. Phase one will be a scoping paper to examine and assess existing research, including overseas work. Phase two will be a policy report incorporating case studies.

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The research project will examine “debates relating to the quality of work, and will begin with a focus on defining job quality”, the tender documents state. It will consider the importance of job quality, issues for individuals including workers, job seekers and employers, and how Australia fares in international comparisons.

“This research into the quality of work is to be considered as not just about working conditions, but also related to wider issues of demographic and technological change, skills and their use, workplace participation, worker expectations and life cycles, job security, control and autonomy, job satisfaction, social and economic inclusion, and the health and well-being of workers and their families,” the documents state.

The actual research project will be handled through the Australian Workforce and Productivity Agency. This group undertakes and commissions research in its role as the lead agency advising the Commonwealth government on skills and workforce development.

The proposal to examine quality of work will form part of an ongoing research agenda. The agency notes that all this work, in-house or contracted out, is directed to the support of practical and applied policy development.

The deadline for the final policy report is August 9 next year.

One point of interest is how far the researchers will go in consulting other agencies interested in work quality. For example, the Human Rights Commission, through its age discrimination commissioner, Susan Ryan, has included improvement of work opportunities for older people as part of its remit.
Thomson’s plea of innocence as cops raid home

Pip Freebairn and Mark Skulley

Independent MP Craig Thomson yesterday became the first federal parliamentarian to have his home raided by police when the NSW fraud squad searched his central coast home and electoral office as part of an investigation into fraud allegations about the misuse of Health Services Union money.

Police officers took documents, a hard drive and samples of Mr Thomson’s writing from his Bateau Bay home early Wednesday morning and later searched his Tuggerah electoral office on behalf of the Victoria Police fraud squad. Journalists, who were tipped off, waited outside.

The Victorian police’s Operation Vespine is focused on whether Mr Thomson used a union credit card to pay for prostitutes and travel during his time as HSU national secretary before he entered Parliament for the Labor Party in 2007. The national union was then based in Melbourne.

Several of the allegations are said to overlap with civil charges laid against Mr Thomson by Fair Work Australia last week, with initial hearings due on December 7. The lawsuit claims 37 breaches of general duties imposed on union officers and 25 breaches of HSU rules.

Mr Thomson, who denies the FWA allegations, was in his home with his wife Zoe Arnold during Wednesday’s raids.

“Can I say, I’ve done nothing wrong and we are fully co-operating with the police in relation to this investigation,” he told reporters outside his home.

Mr Thomson said he expected the Victoria Police investigation would be finished by the end of the year and he would not be charged.

“I am very confident that I will be found to have done nothing wrong, and I will be vindicated at the end of this,” he said.

The Member for Dobell suspended his membership from the Australian Labor Party in April to sit as an independent MP soon after. In May Fair Work Australia released its report into the national union showing Mr Thomson had breached 156 workplace laws as head of the union.

His vote remains important to the minority Gillard government.

Mr Thomson’s lawyer, Chris McCrindle, criticised the high-profile nature of the raid.

“He’s very, very distressed. This was a complete surprise to our client, his family and his staff,” Mr McCrindle said, noting Sydney media appeared to have advanced knowledge of the raids.

Detective Superintendent Brett Guerin of Victorian Serious Crime Operations complained about the presence of media at the raid.

“The last thing our detectives need is to be knocking on someone’s door with a media scrum watching,” he said. “It helps no-one but the media. Victoria Police is very conscious of the high-profile nature of this investigation and have been resolute in the information they have provided to the media.”

NSW Police confirmed yesterday a separate investigation into Mr Thomson during his time as assistant secretary of the HSU East branch was continuing and no arrests were made yesterday.

Mr Thomson, together with former Labor factional leader and union head Michael Williamson, received an American Express credit card from a union printer in return for an inflated contract to print union newsletters, according to allegations in The Sydney Morning Herald.

NSW Detective inspector David Christey said the evidence obtained yesterday would be sent to Victoria and might help NSW detectives with their investigation.

“We’ve certainly had a very good relationship with our Victoria counterpart,” he said. “There’s been a free flow of information between both the investigations.”

Earlier in the month NSW detective superintendent Col Dyson told reporters he expected further charges were likely against several people by the end of the year in that case.

Strike Force Carnarvon has already charged Mr Williamson, who has denied doing anything wrong, with 20 offences including removing evidence as the NSW police raided HSU East in Sydney.

Coalition leader Tony Abbott said in Adelaide the government should no longer accept the vote of Mr Thomson, a man who he said had “grievously misused low-paid union members’ money”.

“This is a tainted vote, a tainted vote that is absolutely crucial to Julia Gillard. The Prime minister will do whatever it takes to protect herself. She is not interested in protecting Australian families,” he said.

“The police have shown a lot of diligence in trying to ensure that low-paid workers’ money was not misused. I just wish the same diligence was shown by the federal government.”

“Let’s not forget it was the Prime Minister who was saying for months and years she had full confidence in Craig Thomson.”

The government leader in the Senate, Chris Evans, said Mr Thomson was entitled to the presumption of innocence.

Fair Work Australia filed a 193-page lawsuit with the Federal Court last week.
Meet the press … ‘I will be found to have done nothing wrong, and I will be vindicated at the end of this.’

Police remove documents from the home.

Police were frustrated by the media.
Reforms tainted by the stench of a growing scandal

CRAIG Thomson will take his seat in federal parliament next week dogged by the prospect of criminal charges laid against him before year’s end.

Two police inquiries are moving closer to finalising their investigations into claims the suspended Labor MP improperly spent hundreds of thousands of dollars of funds while he was national secretary of the Health Services Union.

Make no mistake, the stench surrounding Mr Thomson will continue to haunt the Labor Party despite attempts to cut him loose.

Material gathered yesterday in early morning raids on his home and electorate office adds to a mountain of other evidence collected since allegations first surfaced in early 2009.

With the government hanging on to power with the support of a large batch of cross-bench independent MPs — which, technically, includes Mr Thomson and ex-Liberal Peter Slipper — the arrest of the former HSU official would be a devastating blow. Yesterday, Rob Oakeshott, Tony Windsor and Andrew Wilkie were adopting a cautious approach to the police raid against their parliamentary colleague, as were senior government ministers including Treasurer Wayne Swan, Foreign Minister Bob Carr and Senate leader Chris Evans.

“Let the police do their work,” was the mantra of the day.

But there is no doubt the ongoing sleaze surrounding these allegations against Mr Thomson are damaging to the government, which has mounted a comeback of sorts in the polls over the past few months after looking dead-and-buried. “It looks as if there is something there,” one government MP lamented yesterday.

The damage done by the ongoing saga involving Mr Thomson has the potential to undermine a positive message the government is trying to sell to middle Australia over its big ticket reform in education, disability insurance, health and broadband.

The other concern for the government is the absence of a firm timeline on the scandal.

Mr Thomson faces three on-going legal battles, with the potential to drag on well into 2013 — an election year.
Grads on gravy train

A UNIVERSITY degree is a ticket to higher pay for life, with graduates earning $1.4 million more over their working lives than those who leave in high school.

Those who finish any degree earn an average of $3.2 million over their lifetime, while a person who leaves high school before Year 11 would earn only $1.7 million, the AMP NATSEM Income and Wealth report, released today, found.

AMP’s Dianne Charman said a uni education set people on a career path that often involved promotions.

“People with higher education levels often enjoy significant income boosts as they climb the career ladder, while the incomes of those with lower education levels tend to remain fairly flat over their working lives,” she said.

But she said the outlook wasn’t so rosy for female graduates.

“A woman with postgraduate qualifications will earn only as much on average over their lifetime as a man with a certificate or Year 12,” she said.

The report found women could expect to earn only $2.5 million, two-thirds of the salary of a man with the same qualifications.

About 44 per cent of people aged 25-34 have completed some form of tertiary education, compared with fewer than one in three people aged 55-64.

A separate report released today by Ernst & Young also warned that “second tier” unis would disappear by 2025 unless they revisited their business models because of decreasing government funding and competition.

Report author Justin Bokor predicted that in 15 years they would be run like corporations.

Bokor said universities needed to either cut down on staff numbers or specialise to become world leaders in one particular field.
Online courses part of bigger threat for unis

JULIE HARE

The global enthusiasm for massive open online courses will contribute to the demise of campus-based universities, but their influence is being overstated, says the author of a report on the future of the sector.

Ernst & Young’s Justin Bokor said change to universities was imminent, “but it’s not all MOOC-based”. “There is no doubt the higher-education sector will be disrupted, but it’s not all about technology,” he said.

His report, University of the Future, suggests three possible scenarios for universities in Australia as they evolve to cope with decreasing government funding, increased competition and online technologies.

MOOCs have captured the world’s imagination. Stanford-led Coursera, Harvard and MIT’s EdX, the Khan Academy and Udacity feature courses taught by the world’s best professors online for free. Richard James, a professor of higher education at the University of Melbourne, said the temptation for universities to use such courses for their own teaching made economic sense. He said basic courses with universal content did not require different curriculums developed by each and every university. But he said MOOCs had limitations because education was “not just about the distribution of content, it’s also about the multiple transactions between learners and providers”.

Ben Wildavsky, a senior scholar with US think tank the Kauffman Foundation, said the appetite for MOOCs was starting. He cited the first Udacity course on artificial intelligence, which attracted 160,000 students from 190 countries. “The number of students from Lithuania who signed up for Udacity’s first class exceeded the entire student body of Stanford,” he wrote in online publication Foreign Policy.

Similarly, the University of Melbourne, which has signed up with Coursera, got 38,500 enrolments in less than a month for the five courses it will offer early next year.

Greens higher education spokeswoman Lee Rhiannon described the Ernst & Young report as “designed to grease the way for the private sector to profit from universities at the expense of a well-resourced and regulated higher-education system”.

FTB cuts could save $1bn a year

EXCLUSIVE

PATRICIA KARVELAS

Reducing family tax benefit payments for second or additional children could save the federal budget $1.2 billion a year or $5bn over the forward estimates, modelling has revealed.

After slashing the baby bonus from $5000 to $3000 for second and subsequent children this week, saving about $500 million across three years, the National Centre for Social and Economic Modelling has produced explosive modelling for The Australian that demonstrates how much could be saved if the same principle were applied to all families who received Family Tax Benefit A.

Labor backbencher Kelvin Thomson yesterday called on the Gillard government to ditch the baby bonus altogether and reallocate the funds to cut the cost of tertiary education.

His comments came as several Liberal backbenchers told The Australian that middle-class welfare needed to be reduced to help the budget bottom line and reallocate the funds to cut the cost of tertiary education.

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“Mr Phillips said the large family supplement cost about $125m a year so a further saving of $500m could be made over the forward estimates.

He said that while the savings from such a change to the Family Tax Benefit were large, there were other groups in society that struggled far more than families on the FTB.

The recent NATSEM report, Going Without: Financial Hardship in Australia, found that only 11.8 per cent of couple families with kids were in poverty compared (with) 29 per cent of single parents, many of which do receive FTB, 22 per cent of lone persons and 65 per cent of households reliant on Newstart allowance,” Mr Phillips said.

Families Minister Jenny Macklin said the government had already made substantial changes to the family payment system to support families as their children grew.

“Family payments are different to the baby bonus and provide ongoing support for the child,” she said. “The government is not considering making similar changes.”

FAMILY TAX BENEFIT PART A

- $1.81bn in payments in 2011-12
- Paid per child, with the rate based on child’s age and the family’s income
- Payments decrease with rising income depending on number and age of children
- E.g. parents with two children under 13 and combined income up to $47,815 receive $5150 per year per child; payments are reduced by 20c in the dollar up to $77,891; from $98,112 the base payment ($2142 per child) reduces by 30c in the dollar and cuts out at $112,396

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Training revamp labelled sexist

ExCLUSIVE

Patricia Karvelas

Job and training groups say the Gillard government’s overhaul of the apprenticeship system is sexist and hurts women.

The changes made by the federal government restrict financial support for traineeships in favour of apprenticeships and steers away from part-time work financial incentives.

The Australian Council for Private Education and Training has put a memo out to its members accusing the Gillard government of designing a policy that hurts women.

Chief executive Claire Field wrote in it that restricting financial support for traineeships in favour of apprenticeships “would push many women out of training altogether because women more commonly undertake traineeships, often part-time, and are especially prevalent in retail traineeships.”

“In the current political climate this is a very disappointing decision,” she said.

“This measure also punishes people undertaking training on a part-time or casual basis, running against the grain of government’s calls for a more flexible workforce, and unfairly targets women and younger people.”

Kathleen Newcombe, head of education at Sarina Russo Job Access, one of the biggest job service providers in Australia, said the policy would hurt women the most.

“The significance of education and training for women cannot be underestimated, particularly when it comes to entry-level roles and women returning to the workforce after having a family,” she said. “Women are more likely to move in and out of the workforce based on family circumstances, and therefore require additional support to access relevant skills for the changing labour market.

“With the fast-changing nature of the workforce, old jobs disappearing and new industries emerging, there is a need to include supported work placements and pre-employment (taster courses) for women re-entering training.

“Training is one of the key drivers of economic wellbeing through improved labour market outcomes for women, which in turn supports our society as a whole.”

A spokesman for the Minister for Skills, Chris Evans, said the measures announced this week in the government’s Mid-Year Economic and Fiscal Outlook were designed to prioritise the skills needs of the economy.

“The government reforms prioritise support for skills in high demand, which is why we have continued to support employer subsidies for diploma-level courses in aged care, childcare and health services. These are occupations dominated by female workers,” he said. “The government provides a wide range of programs which support training for employees and students in the services sector.

“Employers in the service sectors, including retail, care services and hospitality, remain eligible for $4000 in support from the commonwealth for new full-time trainees, which make up the majority of trainees. The changes to employer subsidies announced this week are designed to better balance the incentives paid to part-time and casual trainees as a proportion of the incentive paid for a full-time trainee.”
Refuse ‘tainted’ vote, PM urged

MILANDA ROUT

THE opposition yesterday reiterated calls for Julia Gillard to refuse to accept Craig Thomson’s vote in the wake of raids on the Labor-cum-independent MP’s home and electoral office.

Tony Abbott said the latest development again raised questions about the Prime Minister’s judgment.

“For months, indeed years, she kept saying she had full confidence in Craig Thomson,” the Opposition Leader said.

“This is a tainted vote which is absolutely crucial to this Prime Minister.

“This Prime Minister will do whatever it takes to protect herself.”

Manager of opposition business Christopher Pyne said parliament’s return next week would be “steeped” in scandal.

“We left parliament two weeks ago mired in scandal,” he said.

“We go back next Monday continuing to be steeped in scandal.

“And if Julia Gillard wanted to restore integrity to the way Australians think about the parliament she would announce she would not accept Craig Thomson’s tainted vote.”

Mr Abbott said the government was so mired in scandal it could not focus on “the things that matter to families”.

Opposition workplace relations spokesman Eric Abetz said the raid on Mr Thomson’s home was a “significant development”.

“It is now clear that despite Mr Thomson’s repeated claims to the contrary, he is a person of interest in both the Victorian and NSW police fraud squad investigations,” Senator Abetz said.

“As these fraud squad investigations and the Fair Work Australia Federal Court action move forward, the Coalition will continue to advocate for the low-paid members of the Health Services Union.”

But leader of the government in the Senate, Chris Evans, urged for calm on the Thomson matter and pointed out that he had not been charged with anything.

“I think we all ought to refrain on commenting on it,” Senator Evans told Sky News.

And Mr Thomson’s lawyer, Chris McArdle, also hit back at the comments made by Mr Abbott, saying the Opposition Leader was alleging his client had committed criminal wrongdoing.

“If Mr Abbott has evidence of that he should come forward forthwith, or he should shut his mouth,” he told Sky News.

“We will not tolerate our client being condemned by innuendo or ageing student politicians mouthing off.

“This is unacceptable conduct. Our client is an innocent man.”