UNSW SYDNEY

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

UNSW Sydney welcomes the opportunity to contribute to the Education and Employment Legislation Committee's inquiry into the *Higher Education Support Amendment (Reverse Job-Ready Graduates Fee Hikes and End 50k Arts Degrees) Bill 2025*.

UNSW considers the changes to course costs brought in as part of the Job-Ready Graduates (JRG) Package to be fundamentally flawed and not fit for purpose. We therefore welcome debate on this Bill and funding settings for the higher education sector, in line with the Australian Government's commitment to improving access, equity and outcomes for all students.

UNSW considers that JRG has not achieved its stated policy objectives and has, in several key respects, produced unintended and counterproductive outcomes. In particular, the current model:

- Shifts a disproportionate financial burden onto students in ways that undermine equitable access;
- Distorts student choice through price signals that are not aligned with labour market demand or public value, or capacity to repay after graduation;
- Fails to adequately support high-cost, high-value disciplines critical to Australia's future workforce; and
- Introduces unnecessary complexity into the funding system, reducing transparency and long-term policy coherence.

UNSW, therefore, welcomes debate on JRG and would support its replacement with a more balanced model that aligns student contributions, public investment and benefit, with national priorities.

Impact on Students and Equity

The Job-Ready Graduates Package has shifted costs onto students in a manner that undermines access and equity, with the burden falling most heavily on students in the humanities, communications and social sciences. These changes were implemented without a clear evidentiary basis demonstrating that they would improve workforce outcomes or advance broader policy objectives. The result has been a regressive redistribution of costs to students, particularly those with fewer alternative pathways into higher education.

The scale of these increases has been substantial. At the introduction of JRG in 2020, student contributions rose by up to 113 per cent for communications and humanities students, 66 per cent for creative arts students, and 27.7 per cent for students in management, commerce, law and economics.[1]

[1] Impacts of the Job-Ready Graduates policy and options for reform, Innovative Research Universities, March 2026

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Evidence from previous adjustments to student contribution settings indicates that where price signals do influence behaviour, the effects are disproportionately borne by students from low socio-economic and underrepresented backgrounds. These impacts are particularly pronounced for students from regional and remote Australia, Aboriginal and Torres Strait Islander communities, and low SES adults accessing higher education for the first time.

The Australian Universities Accord found these changes had limited impact on student choice and have not meaningfully aligned graduate supply with labour market demand. Student decision-making is shaped by a range of factors—including aptitude, interest, career aspirations and personal circumstances—rather than price signals applied at the point of enrolment. Students who have accrued HECS-HELP debt during JRG are now faced with higher overall debt, which will attract higher indexation and take longer to pay off. Recent reforms to repayment thresholds and rates will exacerbate this further, compounding the inequity of the student contribution settings.

UNSW is committed to widening participation and supporting national prosperity through equitable access to higher education. Elevated student contribution levels risk deterring capable students from disadvantaged backgrounds, thereby reducing diversity within the student body and limiting the broader social and economic benefits of higher education.

Funding Sustainability and Quality

The Job-Ready Graduates Package has contributed to a sustained decline in per-student public funding, constraining universities' capacity to deliver high-quality teaching, student support and the infrastructure required for educational excellence. Reduced public investment has increased reliance on cross-subsidisation within institutions.

A sustainable funding framework should reflect the real costs of teaching and learning, with student contribution amounts linked once again to anticipated future earnings and Commonwealth contribution amounts reflecting the public value derived from a highly skilled and qualified workforce. The funding changes introduced under JRG do not provide a stable or appropriate foundation for long-term system design.

Restoring per-student public funding to sustainable levels is critical to maintaining quality outcomes across the sector. This is a system-wide requirement, necessary to support the teaching, research and engagement activities that underpin Australia's higher education system and its contribution to national development.

Skills, Workforce and the National Interest

Australia's long-term workforce needs cannot be addressed through price signals alone, particularly in the context of a rapidly evolving economy where transferable skills are increasingly important. Disciplines most affected by Job-Ready Graduates—including the humanities, social sciences, law and communications—develop essential capabilities such as critical thinking, communication, ethical reasoning and cultural competency.

A well-functioning higher education system must support a diverse range of disciplines, including STEM, health, education, arts, law and social sciences. Policy settings should recognise the complementary roles these fields play in supporting economic growth, social prosperity and cohesion, and institutional capability.

Evidence does not support the premise that certain fields deliver systematically weaker employment outcomes. Data from the QILT Graduate Outcomes Survey (Longitudinal) indicates that humanities graduates achieve employment rates comparable to those in science and mathematics three years after graduation.[2] Broader research similarly demonstrates that graduates from these disciplines possess adaptable and transferable skills that are highly valued across the labour market. Government analysis has indicated that, in many cases, the attainment of a degree itself is a stronger determinant of employment outcomes than the specific field of study.

The economic contribution of higher education reinforces the case for balanced investment. Australia's university sector contributes significantly to national output and employment, and the public returns to higher education are substantial. A significant proportion of the economic benefit generated by graduates accrues to the broader community.

Alignment with the Australian Universities Accord

UNSW highlights the Australian Universities Accord's finding that the Job-Ready Graduates Package has not achieved its intended objectives. The Accord's recommendation to align student contribution settings with lifetime earnings outcomes represents a more evidence-based and equitable approach to system design.

UNSW supports a staged approach to reform, including the remediation of the most significant inequities within the current framework, alongside the development of longer-term structural reforms through a consultative and evidence-driven process. These objectives are complementary: near-term adjustments can alleviate current pressures on students, while broader reform can ensure the system is sustainable, coherent and aligned with national priorities.

Conclusion

Thank you for the opportunity to provide comment on the *Higher Education Support Amendment (Reverse Job-Ready Graduates Fee Hikes and End 50k Arts Degrees) Bill 2025*.

UNSW welcomes debate on the impact of the Job-Ready Graduates package and encourages the Committee to consider the Bill within a broader reform context. We call on the Government to take concrete steps toward a more equitable and effective higher education funding system.

Should you wish to discuss any issue raised in this submission, please do not hesitate to contact our Director of Government Relations, Mr Robin Schuck, on 0411 124 258 or r.schuck@unsw.edu.au.

[2] 2022 Graduate Outcomes Survey – Longitudinal - Quality Indicators for Learning and Teaching (QILT), October 2022