

GENDER LENS ON THE 2024 BUDGET

Key policy in discussion	Higher Education
Portfolio and or agency	Cross-portfolio and Education
Date Issued	26 May 2024
Key author/s of this budget analysis:	Dr Madeleine M Laming, NFAW Social Policy Committee
Chair, Social Policy Committee NFAW:	Prof. Helen Hodgson: h.hodgson@tpg.com.au

Key Portfolio Issues

Measures outlined in the 2024-2025 Budget have significant implications for female students, particularly those undertaking courses with a practicum placement – nursing, teaching and social work. Limiting the indexation of student loans to either the Consumer Price Index or Wage Price Index (whichever is lower), and backdating the change to 1 June 2023, will ease financial stress on women on marginal tax rates. The development of a National Higher Education Code to Prevent and Respond to Gender-based Violence will also have a more profound impact on female students than male students. Other changes to funding flagged to occur in 2026 may have significant implications for female academic staff.

The development of a National Higher Education Code to Prevent and Respond to Gender-based Violence links to the Australian Government’s [*Working for Women: A Strategy for Gender Equality*](#) Priority Area 1: Gender-Based Violence. Additional support for marginalised students and changes to the loan repayment schedule link to Priority Area 3: Economic Equality and Security.

The National Foundation for Australian Women is a feminist organisation, independent of party politics and working in partnership with other women’s organisations. NFAW is dedicated to promoting and protecting the interests of Australian women, including intellectual, cultural, political, social, economic, legal, industrial and domestic spheres.

Budget Measures

The 2024-25 Budget reports most measures relating to higher education as Cross Portfolio rather than Education spending, as might be expected. Some specific measures are attributed to the Education portfolio; however, the Education section is confined to budget measures relating to schools, child care, inclusion support and Closing the Gap.

Cross Portfolio

The Cross Portfolio subsection begins with a reference to the Australian Universities Accord and promises a substantial increase in funding over an extended period. Details are to be worked out in consultation with the relevant bodies.

“The Government will provide \$1.1 billion over five years from 2023–24 (and an additional \$2.7 billion from 2028–29 to 2034–35) for the first stage of reforms to Australia’s tertiary education system in response to the Australian Universities Accord Final Report. These reforms will boost equity and access to higher education, progress tertiary harmonisation and will support a target of 80 per cent of the working age population holding a tertiary qualification by 2050.” ([Budget Paper No 2](#), p. 62, 2024).

Details of the proposed funding include:

- \$427.4 million over four years from 2024–25 (and an additional \$1.2 billion from 2028–29 to 2034–35) to establish a new Commonwealth Prac Payment of \$319.5 per week (benchmarked to the single Austudy rate) from 1 July 2025 for tertiary students undertaking supervised mandatory placements as part of their nursing (including midwifery), teaching or social work studies.
- \$350.3 million over four years from 2024–25 (and an additional \$1.1 billion from 2028–29 to 2034–35) to expand access to university enabling and preparation programs through a new FEE-FREE Uni Ready Courses program from 1 January 2025.
- \$239.7 million over five years from 2023–24 (and an additional \$250.5 million from 2028–29 to 2034–35) to limit the indexation of the Higher Education Loan Program (and other student loans) debt to the lower of either the Consumer Price Index or the Wage Price Index, effective from 1 June 2023, subject to the passage of legislation. This applies retrospectively and is estimated to reduce outstanding loans by around \$3.0 billion.
- \$27.7 million over four years from 2024–25 (and an additional \$32.8 million from 2028–29 to 2034–35) to develop initiatives that break down artificial barriers and harmonise regulatory, governance and qualification arrangements between the higher education and vocational education and training sectors.

- \$24.6 million over four years from 2024–25 (and an additional \$72.7 million from 2028–29 to 2034–35) for Charles Darwin University to establish a new medical school for the Northern Territory with 40 new commencing medical students per year from 1 January 2026, with funding placed in the Contingency Reserve subject to the completion of exploratory work.
- \$19.4 million over two years from 2024–25 to establish a National Student Ombudsman from 1 February 2025. The Ombudsman will provide a single, national mechanism for higher education students to escalate complaints regarding the administrative actions of their education provider and will be established as an ongoing function of the Commonwealth Ombudsman, with Government to explore arrangements for cost recovery from 2026–27. Partial funding for this measure has been provisioned in the Contingency Reserve.
- \$18.7 million over four years from 2024–25 (and an additional \$28.8 million from 2028–29 to 2034–35) to introduce a National Higher Education Code to Prevent and Respond to Gender-based Violence from 1 January 2025.
- \$3.0 million in 2024–25 for the Department of Education to develop a business case for an appropriate information technology system to support the reforms to higher education funding and governance.
- \$2.6 million in 2024–25 to implement changes to the Department of Education’s Provider Registration and International Student Management System to improve integrity in the international education sector.
- \$2.1 million over four years from 2024–25 (and an additional \$3.7 million from 2028–29 to 2034–35) for the Department of Education to develop and implement regulation to require universities to establish new supply of purpose-built student accommodation to support any increase in international student enrolments over an initial international student allocation, to be set in consultation with the sector. The accommodation would be available to both domestic and international students. ([Budget Paper No 2](#), p. 63, 2024).

Australian Universities Accord – tertiary education system reforms

Payments (\$m)	2023-24	2024-25	2025-26	2026-27	2027-28
Services Australia	0.3	0.2	-	-	-
Department of Education	-	34.4	146.5	172.7	199.8
Department of Employment and Workplace Relations	-	14.0	15.0	20.9	22.9
Department of Health and Aged Care	-	9.6	5.2	1.5	2.1
Office of the Commonwealth Ombudsman	-	8.8	10.6	nfp	nfp
Australian Skills Quality Authority	-	1.3	-	-	-
Tertiary Education Quality and Standards Agency	-	0.5	-	-	-
Australian Taxation Office	-	0.5	..	-	-
Attorney-General's Department	-	0.3	0.4	0.2	0.2
Department of Social Services	-	-	-	-	-
Total – Payments	0.3	69.7	177.6	195.2	224.9
<i>Related receipts (\$m)</i>					
<i>Australian Taxation Office</i>	-	-
<i>Department of Employment and Workplace Relations</i>	-2.9	-13.8	-9.6	-10.4	-10.5
<i>Department of Education</i>	-18.9	-90.7	-17.0	-29.4	-35.3
Total – Receipts	-21.8	-104.5	-26.6	-39.8	-45.8

(Budget Paper No 2, p. 62, 2024)

A major development outlined under Cross Portfolio measures is the establishment of the Australian Tertiary Education Commission by 1 July 2025. Described as the steward of tertiary education, the ATEC will be responsible for the entire tertiary education system, delivery of funding arrangements for higher education, ongoing tertiary harmonisation and data collection and reporting ([Budget Paper No 2](#), p. 64, 2024).

The Government intends to create managed growth funding for universities from 1 January 2026, an approach that it believes will more accurately reflect student demand, support efficient growth in places, and help Australia to reach its tertiary attainment target.

At the same time, a needs-based funding system will be implemented to better support First Nations students, students from low socio-economic status backgrounds, students with disability and students studying in regional and remote Australia. ([Budget Paper No 2](#), p. 64, 2024).

The Government will also undertake a strategic examination of Australia's research and development system to strengthen its alignment with Australia's priorities and innovation and research and development outcomes. (See [Future Made in Australia](#) and Employment and Workplace Relations)

Higher education providers will also be required to direct a minimum of 40 per cent of their Student Services and Amenities Fee revenue to student-led organisations from 1 January 2025 ([Budget Paper No 2](#), p. 64, 2024).

Details of reforms to boost equity and access to higher education and to progress tertiary harmonisation will be announced once final consultations with relevant stakeholders have been completed ([Budget Paper No 2](#), p. 64, 2024).

Gender implications of these budget measures

The Budget measures refer to consultation with relevant bodies in relation to reforms identified in the Universities Accord, but do not provide significant details about what is to be funded, or when. Given the amount of detail that is missing, it is difficult to create a full analysis of the gender implications of the 2024-25 Budget.

One measure that will directly benefit women is the introduction of a National Higher Education Code to Prevent and Respond to Gender-based Violence from 1 January 2025. While the Code is not aimed solely at women, evidence indicates that they are more likely than men to be the victims of gender-based violence and that First Nations and disabled women are particularly vulnerable. Dedicated student housing may also improve the safety of female students, especially female international students and female students with a disability, provided that it is well managed.

Other measures that will also benefit female students directly include the Commonwealth Prac Payment of \$319.5 per week which is targeted at students enrolled in nursing, midwifery, teaching or social work, all courses where the majority of students are women. Students enrolled in these courses are required to undertake compulsory placements. These unpaid placements are equivalent to full time work and leave little time for paid work or family life. They are a [heavy financial burden](#) on students and may lead to them discontinuing their course without graduating.

Likewise, limiting the indexation of the Higher Education Loan Program, and other student loans, to the Consumer Price Index or the Wage Price Index, whichever is lower, and backdating the change to 1 June 2023 will benefit female as well as male students. However, the likely impact on women is unclear.

We also note recommendation 16 of the [University Accord Final Report](#) that recommends the winding back of the Job-ready Graduates (JRG) package by reducing student contributions starting with students in humanities, other society and culture, communications and human movement. These disciplines have a majority female enrolment, and the increased fees have resulted in these graduates carrying an increased burden when they enter the workforce.

Women have not been regarded as an equity group since the 1990s and the Commonwealth does not keep disaggregated data on gender. Data on [gender balance](#) is available elsewhere, and figures indicate that on average 55.5 per cent of university students are women. Numbers are not spread evenly and some courses, notably ICT and engineering, continue to be male dominated. We do know that women are more likely to have a HECS or HELP debt. According to the 2022-23 [Australian Taxation Office](#), women make up about 60 per cent of those who owe money. Female graduates earn, on average, [27 per cent less](#) than men over their careers; therefore they take longer [take longer](#) to pay off their student debt.

The women who benefit the most from limiting indexation are those are combining study with part time work and family responsibilities. As the 2017-2018 Gender Lens reported, that Budget was particularly hard on female students and graduates some of whom were caught between changes to several policies and were facing effective marginal tax rates of possibly 100 per cent or higher. Reduced student debt combined with a cut in income tax and increases in rental assistance and the child care subsidy for lower income families ([Cheaper Child Care](#) measures, implemented from July 2023) should ease the pressure to some degree. Junior academic staff, who are likely to be women and possibly postgraduate students, will also benefit from these measures.

The shift towards a needs-based funding system, rather than one based on geographic location, will better support First Nations women, women from low socio-economic status backgrounds including women escaping family violence, women with disabilities as well as women studying in regional and remote Australia.

Expansion of university enabling and preparation programs through a new FEE-FREE Uni Ready Courses program from 1 January 2025 will benefit all applicants, but it may be assumed that many will be female. Creation of new Regional University Study Hubs (RUSHs) as well as new Suburban University Study Hubs will also facilitate the entry of disadvantaged students, including women ([Education Portfolio Budget Statements](#), p 12.)

Other measures included in the Budget such as the establishment of a new medical school at Charles Darwin University for the Northern Territory, the creation of a establish a National Student Ombudsman and changes to the Department of Education's Provider Registration and International Student Management System that will improve the integrity in the international education sector, are positive steps overall but do not appear to have a specific impact on women.

We also note that the [Universities Accord final report](#) has been released recommends that "...by 2050, those most under-represented in higher education (First Nations people, people with low SES backgrounds, people with disability, and people from regional, rural and remote communities) be represented in higher education according to their proportion of the Australian population." It calls on government to take urgent action to achieve this. While the Budget makes a commitment to consult to implement changes ([Budget Paper No 2](#), p. 64, 2024) NFAW calls on the Government to progress this as a matter of urgency.

Recommendations

NFAW calls for:

- The Department of Education and the Australian Bureau of Statistics to collect data on women's participation across all areas of tertiary education. Good policy depends on good data.
- More to be done to reduce the burden of loan repayments on all students starting with those courses where fees were increased as a result of the Job-Ready Graduates Package. We recognise that the intersection of loan repayments, tax and benefit payments represents a particular burden for women attempting to establish career and create families. The overall cost to our community in terms of lost productivity is unjustifiable.
- NFAW recommends the Government implement the recommendations of the Universities Accord final report that relate to equity of access as a priority.
- That Research Training Program (RTP) stipend rates be increased in recognition of the increased cost of living. The 2024-25 Budget makes no mention of financial support for postgraduate students.
- The expansion of Commonwealth Prac Payment be expanded to include students studying psychology and veterinary science. According to the [Australian Department of Health](#), in 2017, female psychologists comprised 78.9 per cent of the workforce. Similarly, the [Australian Veterinary Association Survey](#) in 2016 found that 80 per cent of veterinary science graduates were women. Both of these professions are in short supply and the courses require unpaid long prac placements.