

9 April 2026

## 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*

I welcome the opportunity to submit to this inquiry. The Job-Ready Graduates scheme is a failed, punitive, ideologically-driven policy that has hurt the students it claimed to help, loaded disproportionate debt onto the least advantaged, and has been left in place by a Labor government that spent years in opposition denouncing it.

This Bill would address that failure, and I support its intent strongly. However, I do not believe that it can deliver its stated objectives in its current form.

## Background

In 2020, the Morrison government's stated rationale for the Job-Ready Graduates scheme (JRG) was to use price signals to redirect students from arts, humanities, law, and commerce into fields of national labour shortage: nursing, teaching, mathematics, agriculture.

The fee increases under JRG were extreme. JRG increased maximum student contributions in history, philosophy, communications, journalism, media, curatorship, politics, and sociology by 117% - from \$6,684 to \$14,500 in 2021. Maximum student contributions in these disciplines are now \$17,399. Arts and law in combination cost \$85,000 for a double degree for students who started after 2021. A student who completed an arts-law degree before 2021 graduated with roughly half that debt.

The architect of HECS, Prof. Bruce Chapman, has called this scheme the biggest mistake he has seen in the sector. Virtually all economists agree. In 2020, the Labor opposition agreed, claiming that the scheme would do nothing to get young people into high priority courses or jobs.

The Universities Accord Interim Report (July 2023) found that that the JRG package needed to be fixed "before it causes long-term and entrenched damage" and that without change the higher education system "will rapidly become unfit for purpose." This premise was confirmed in the Accord's final report which, in February 2024, found that JRG's intended purpose of influencing students' course choices through price signals had failed. Only 1.5%

of students applied for enrolment in courses they would not have chosen under the pre-JRG arrangements. Australia now has fewer nurses and teachers than when JRG was introduced.

### **Consequences of the JRG scheme**

The Universities Admissions Centre found that concern over HECS debt influences the decision to attend university for 40% of Year 12 students, and that government messaging about job-readiness resonated more with low-SES Australians than with their wealthier peers. This means that the students with the most to gain from a university education were those most likely to be deterred by JRG.

Analysis by the Innovative Research Universities (IRU) found that while domestic bachelor degree commencements overall declined by 3.5% between 2020 and 2024, commencements among the most socio-economically deprived quartile of the population fell by 9.8% over the same period — and by 19.7% across high-charging areas including humanities, social sciences, commerce and law. Disadvantaged students' share of new undergraduate places fell from 16.8% to 15.7% in the same period.

JRG also disproportionately impacted First Nations students, who tend to enrol in humanities and social sciences. It made the study of Indigenous culture and history more expensive than medicine.

The Accord Final Report explicitly identified these inequities, finding that JRG had introduced fee increases of 113% for students in social sciences, humanities and communications, and that these “have meant higher average increases for females and First Nations students.” The Accord recommended the Australian Government reduce student contributions for those affected by JRG and move towards a contribution system based on fairer principles.

### **Progress under the Albanese government**

The Accord Interim Report called for urgent remediation of JRG in July 2023. The Accord Final Report, delivered to the Minister in December 2023 and released in February 2024, recommended that the government reduce student contributions for those affected by JRG and move towards a student contribution system not based on the failed price-signal model.

The government adjusted HELP indexation, which was welcome, but this did not represent real reform. The Academy of the Humanities has calculated that JRG hurts humanities students ten times more than fee indexation relief helps them.

Most recently, the government refused my amendment to the Australian Tertiary Education Commission (ATEC) legislation to include consideration of student contributions in its advice to the government on fee-setting.

Minister Clare has repeatedly acknowledged the Accord's finding that JRG needed urgent remediation, but has refused to put a specific timeline on reform, describing it as eating an elephant one bite at a time. Students carrying \$50,000 debts cannot afford to eat elephants.

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JRG has now operated for longer under Labor than under the Coalition government that introduced it.

### **The proposed Bill**

The Bill currently before the Senate proposes to reduce student contributions in humanities, social sciences, communications, and related fields by reversing the JRG increases.

Section 53 of the Constitution provides that proposed laws appropriating revenue cannot originate in the Senate.

Similarly, section 56 of the Constitution mandates that a private member's bill in the House cannot increase Commonwealth contributions without a Governor-General's message — i.e. without government support.

These constitutional prohibitions prevent a compensatory increase in Commonwealth contribution rates.

As a result, were this Bill to pass in its current form without government support, the decrease in total funding would affect the financial viability and quality of those courses, and tertiary institutions' capacity to deliver them. Ending \$50,000 arts degrees by ending arts degrees altogether would be an unfortunate unintended consequence of this legislation.

Job-Ready Graduates needs to go, but this legislation cannot and will not effect that change.

### **Conclusion**

The JRG package was bad policy. It failed to shift enrolments into priority fields. It loaded debt onto students from low-income backgrounds, onto women, onto First Nations students. The Universities Accord Interim Report called for urgent remediation in July 2023. The Accord Final Report repeated that call in February 2024. It is now April 2026. This Bill's intent is appropriate, and the pressure it creates is necessary.

Given the practical issue identified above, the Senate inquiry cannot recommend passage of the Bill in its current form.

I call on the government to take action on in this important issue as a matter of urgency – to reduce student contributions in fields where debt genuinely cannot be repaid, offsets costs through fairer contributions in high-income fields, and to restore Commonwealth funding to protect the viability of the academic disciplines at risk.

**Dr Monique Ryan MP**

Federal Member for Kooyong

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