



BOND UNIVERSITY

7 August 2009

Ms Lyndel Bates
Research Director
Economic Development Committee
Parliament House
George Street
Brisbane QLD 4000

Dear Ms Bates

A handwritten signature in blue ink that reads "Lyndel".

Thank you for inviting Bond University to make a submission to the Inquiry into Employment Creation Opportunities in Queensland. This submission will make brief comment to the effect that education is a key driver of employment creation opportunities and that increased investment and support for the State's universities is essential in ensuring wealth creation, full employment and ensuring Queensland is well positioned for the economic upturn.

Bond University is a quality, not-for-profit, outcomes-focussed higher education provider located on the Gold Coast. Although smaller than the average Australian university, with approximately 4,800 equivalent full-time students per annum in 2009, Bond is among the top ranked universities in Australia on a range of criteria. For example, it receives the best possible 5-star ranking for the categories of Positive graduate outcomes, Graduate satisfaction, Graduate starting salaries, Teaching quality, Staff to student ratios, Staff qualifications and Getting a job in the Good Universities Guide 2009.

The University employs over 1,000 staff within the fields of academia, administration and support. To date, the University has been only marginally affected by the Global Economic Crisis and has, by and large, met its student recruitment and revenue targets. Consequently it has not been necessary for the University to implement any redundancies or retrenchments due to the Global Financial Crisis. Advertisements for vacant positions at the University have received greatly increased interest and applications since the economic downturn, providing evidence Bond is seen by the community as a good employer on the Gold Coast. That Bond has been only marginally affected also illustrates that the University has a robust business model and operates in a counter-cyclical industry (the education industry) which can serve the State well during an economic downturn.

Building developments on campus have been significant in recent years and have continued throughout the downturn. These have had a very positive effect on the local economy. Examples include the Faculty of Health Sciences and Medicine Building (\$18 million), the Legal Skills Building (\$12 million), the Multi Media Learning Centre (\$3 million) and the School of Sustainable Development Building (\$13 million). A major renovation of, and extension to, the University's Main Library is currently underway (\$12 million). These major building works provide employment creation for countless local companies and people. We estimate that the multiplier effect of these projects on

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the local economy is of the order of 2 to 3 times. Moreover, the projects have increased the capacity of the University to enrol more students, appoint more staff, and undertake more research thus boosting the local economy.

An Economic Impact Analysis conducted by an independent company in March 2009 demonstrated that Bond University is a significant contributor to economic impact in the Gold Coast region. The overall economic impact of Bond University on the Gold Coast statistical division in 2007, including flow-on effects and including expenditure by all higher education students, include \$308M in output, and 1,481 FTE jobs. These figures are conservative as they do not include the economic impact of the human capital generated in terms of the education of our graduates (around 1,500 per annum), the impact of Bond's research on the local state and national economy, and the tourism benefits from relatives of students visiting the Gold Coast (approximately 40% of our students are international). The presence of the University has proved to be a significant factor in the attraction for other businesses and highly skilled staff to set up operations on the Gold Coast.

Several other Australian universities and overseas universities have commissioned similar reports to demonstrate their contribution to their region, and these indicate that a dollar invested in a University and its research programs generates around 3 times that amount in terms of economic impact.

It is important to note that as some 40% of Bond University's students are international students, the University is a significant exporter and this is very beneficial to the State and National economies.

The above mentioned economic impact reports and examples provide the State Government with confidence that to invest further in the funding of higher education infrastructure provides a proven return on investment and supports job creation. This can either be by direct spending on infrastructure and projects or by the State using its bargaining power to argue for the provision by the Federal Government of a fair share of Commonwealth education and research funding to be spent in Queensland's universities.

The existence of Federal Government funding programs such as the Education Investment Fund (EIF) demonstrates that Federal Government understands the importance of infrastructure spending. However, the allocation of these funds has been unfair to Queensland. From both rounds of the EIF to date, almost 50% of the \$1.5 billion has been allocated to universities in Sydney and Melbourne. Queensland universities have received only 12% of the funds. Government advocacy for a fairer proportion of these funds to Queensland universities would assist in job creation from the infrastructure construction in addition to boosting the activity taking place within the new infrastructure. Round 3 of the EIF has been announced as well as an additional Special Sustainability Round. Bond University will be submitting proposals for both upcoming rounds with proposals heavily focussed on job creation and it would be appreciated if the State Government were to strongly support these applications and the applications from the other universities in Queensland.

Infrastructure spending is not the only area that would benefit from increased State Government lobbying. In April 2009, the Gold Coast City Council undertook a research project which reported that compared to a national average of \$106 per person, the Gold Coast receives approximately \$30 in higher education research and development income per person. As noted in the Economic Development Committee's Issues Paper No 1, the Queensland Government is encouraging Queensland business to undertake research, development and innovation. Queensland universities provide a very good destination for these investments to be directed. Bond University performs strongly in various niche areas of research. For example, we have established a world class centre in evidenced based medicine, and we have established the first six-star green-star rated environmentally sustainable education building to house our Faculty of Sustainable Development, its research programs and a community education centre. Our research centres would benefit from increased support whether through increased direct State Government funding, increased support for business investment into university research centres or from a fair share of Commonwealth research funding, as could perhaps be facilitated by the Queensland Government.

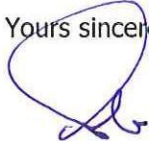
Statistics published by the Commonwealth Department of Education, Employment and Workplace Relations (DEEWR) show that in 2006 Bond University's percentage of students classified as low socio-economic status was 10.4% of the domestic student body which is relatively high compared to a number of universities. FEE-Help has been a key mechanism in the improvement of access and equity for students choosing to study at Bond University and FEE-Help must be retained to support inclusion in the sector and ensure better employment outcomes for the community. Government support for a continuation of FEE-help is essential to the maintenance of access and equity in our State's higher education institutions including Bond University.

Bond University would like to increase its enrolments of Indigenous student numbers. However, Bond does not qualify under the current arrangement for funding for the provision of support of Indigenous students for example via a Government funded Centre for Indigenous Studies. There should be broader access to such Government support funds to ensure Indigenous participation in universities, and ultimately the workforce, are increased, as well as supporting progression rates for these students.

The Federal Government has announced the establishment of a national regulatory body, the Tertiary Education Quality and Standards Agency, to accredit and regulate the university sector. It is important that in strengthening the quality of universities, that such a body has a clear outcomes-focus. Current audit arrangements are very process-focussed and it is essential that the cost and time burden placed upon universities in terms of reporting and compliance requirements is not increased as this will only stifle universities ability to contribute to the workforce and productivity of the State.

Thank you for the opportunity to make a submission to this important inquiry into Queensland's future. As one of Australia's leading universities, Bond University is now an integral part of Queensland's success and looks forward to working with the Government to better position Queensland for further success.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Robert Stable', written over the typed name.

Professor Robert Stable
Vice-Chancellor & President