



COMMUNITY AND PUBLIC
SECTOR UNION

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In Reply Please Quote

The Hon Josh Frydenberg MP
Treasurer
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

By email: josh.frydenberg@treasury.gov.au

Dear Treasurer,

Re: Economic Response to the Coronavirus

The Community and Public Sector Union (CPSU NSW) is writing on behalf its members employed as Professional Staff in Universities. The union is particularly concerned of the economic impact that travel restrictions resulting from the COVID-19 epidemic is having on universities.

The Government's *Economic Response to the Coronavirus* released today recognised the significant effect that COVID-19 is having on the education sector. Despite this, there was no additional funding announced for the university sector. The CPSU NSW finds this omission to be extremely short-sighted, and seeks that the Federal Government urgently steps in to provide adequate additional funding to Universities experiencing, or likely to experience significant losses in revenue because of COVID-19.

Leading economists, international rating agencies and the industry's peak commercial body, Universities Australia, have all raised the potential vulnerability the sector faces in any prolonged restriction on international student travel in response to the rapid spread of coronavirus, particularly in China.

Standard & Poors estimate Australian universities stand to forfeit around \$3.1 billion in lost revenue. For example, the University of Sydney recently announced a \$200 million financial short fall as a result of the travel restrictions.

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The CPSU NSW is the Federal Counterpart of the Public Service Association of NSW. CPSU NSW members are also members of the PSA.

Education is our third largest export. For decades Governments have pushed public universities to build business models based on expanding their international fee paying student numbers to supplement cuts in public funding.

Universities have been turned into businesses and in doing so exposed them to market vulnerability. Many are now either highly dependent on revenue from international students, or cash-strapped to the extent they can't easily sustain a further decline in income. They have become among the most critical employers in our regions and generate enormous economic activity in other parts of the economy.

For these reasons the CPSU NSW seeks that the Federal Government urgently provides additional funding to the University sector.

Yours faithfully,



Stewart Little
State Branch Secretary

12 March 2020