

1 September, 2023

*Disclaimer: This submission was jointly prepared by a group of Islamic scholars. One of these scholars might have sent this letter separately. We still wanted to submit the letter to register our opinion.*

To whom it may concern,

Firstly, we would like to extend our thanks to the panel for their endeavours and work in undertaking this most important review of the tertiary education sector. However, having considered the interim report, we would like to raise an issue that we did not find specifically mentioned. This issue is the serious challenge that HECS/HELP poses to Muslims.

Perhaps not widely known by those outside the Islamic faith, HECS/HELP is broadly considered impermissible for Muslims to engage in. This is due to the element of indexation which is categorised as 'riba' within Islam. 'Riba' regrettably does not have a faultless substitute within English. Most commonly it is rendered as 'interest', though perhaps more accurately should be understood as 'usury' in the original sense of the word. Thus indexation, whilst not normally understood as 'interest' within a conventional Western fiscal framework, is condemned within Islam as a form of 'riba'.

Consequently, the majority of those Muslims in Australia desirous of attending university, but unable to pay the requisite fees upfront, are faced with a dilemma. The dilemma is either to not enrol in university or to engage in a financial arrangement which contradicts and compromises their faith. This dilemma has the further impact of reinforcing existing socio-economic disparities amongst Muslim. This is because those students who pay upfront are, with rare exception, financially privileged to do so. Those Muslims of a lower socio-economic class are not able to

discharge the fees upfront and thereby disengage from university study. The compounding effect of this arrangement over generations can likely be easily grasped.

It is not within the scope of this submission to outline the reasoning behind Islam's prohibition of usury. Suffice to say that prior to the advent of modern Capitalism, usury was considered morally reprehensible within most ethical frameworks, be that Platonic, Aristotelian, Catholic and indeed Muhammadan. From amongst these traditions, it is Muslims who continue to uphold this financial and societal ethic in the modern world.

As such, we implore the panel to consider carefully this highly problematic issue for Muslims, particularly young Muslims, in Australia. We invite the panel to, at a start, acknowledge the seriousness of this issue for the 3.2% of Australians (as per the 2021 Census) who identify as Muslim, a growing population which is projected to exceed one million persons within the next 18 months. Following this, we request the panel to engage with scholarly representatives of the Muslim community. It should be noted that unlike, say, the Catholic or Anglican Churches, Muslims in Australia are highly decentralised with no single body representing believers. Indeed, there are numerous bodies representing different segments of the population, whether that be according to ethnicity, generation, occupation etc. Indeed, arguably most Muslims are not represented by any body, seeking guidance from singular figures like local Imams and Shaykhs. Whilst this does not make the panel's job easy, we urge them to bear this in mind.

Thank you for your consideration of this submission. We welcome any feedback or further engagement that you may have to offer.

Yours faithfully,

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