

## Australian Universities Accord Interim Report – RMIT University Response

**Date: August 2023**

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### Executive Summary/Introduction

RMIT strongly supports the *Australian Universities Accord Interim Report* proposition that ‘the goal of reform must be ***growth for skills through greater equity***<sup>1</sup>. Our motto, ‘a skilled hand, a cultivated mind’ reflects RMIT’s commitment to improving the lives and futures of people in a fast-changing society in Australia and internationally and underpins our dedication to helping *all* learners to combine deep knowledge and technical skills. Our response to the *Interim Report* is shaped by these commitments as well as by our institutional knowledge and experience as Australia’s largest Dual Sector University.

RMIT has also contributed to and endorses the submission from the Australian Technology Network of Universities (ATN).

In this submission, RMIT reiterates the key proposition we made in our April 2023 submission to the Accord Expert Panel’s discussion paper. We then refine our policy responses by prioritising five of the *Interim Report*’s Considerations for Change.

***System change proposition***

***By 2040 all Australians of working age will have participated in education at the tertiary level, via university and/or vocational education, as part of their lifelong journey through learning and work.***

This aspiration brings together an ambition for Australian universities to work alongside their local communities and industries and in concert with vocational education and training providers, through collaborative partnerships aligned with both State and Territory and Commonwealth policy, funding, and regulation.

It recognises that the post-school education system reforms that Australia needs will take time to implement and provides a useful lens through which the Accord Panel can reflect on three key realities that exist currently and that will continue to exist for the foreseeable future:

1. Higher education alone cannot meet the post-school education participation and attainment levels Australia needs to create a stronger and fairer society.
2. The constantly changing nature of the workforce, rapidly shifting industry needs, and skills shortages in priority industries and areas of sovereign risk require us to create an educational system that recognises and supports multi-directional lifelong learning pathways.
3. In policy and system reform terms, neither higher education participation and attainment goals nor skills shortages can or should be met by focusing exclusively on Australia’s school-leaver cohort or those people aged 25 to 34 years.

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<sup>1</sup> *Australian Universities Accord Interim Report* (June 2023) p. 1.

RMIT argues that these realities should be priority considerations for the Panel as it formulates its final report and recommendations to government. They are particularly important if Australia is to successfully meet its ambitions regarding increased post-school attainment from students historically underrepresented in post-school education<sup>2</sup>.

Given the three key realities noted above and the clear need for greater equity in post-school educational outcomes, RMIT argues that priority *Accord Final Report* system reform proposals and any equity targets must enable a **more aligned, inclusive skills-based tertiary education system**. Individuals need to be supported to skill, re-skill, up-skill, and navigate multi-directional education pathways between work and other aspirations across their lives. In this system, higher education, and vocational education work together to support myriad journeys through learning and work by giving people options and the flexibility to meet their life goals as they evolve and change over time. Critically, a higher education qualification is not necessarily the primary measure of 'success' in a more aligned inclusive skills-based tertiary system. Instead, the lifelong learning needs of individuals are supported while providing a more harmonised and agile tertiary eco-system within which national skills needs can be assessed and met.

To lay the foundations of a more aligned, inclusive skills-based tertiary education system, RMIT supports prioritising four recommendations taken from the *Accord Interim Report's* Considerations for Change and Potential Proposals.

### Priority Recommendations

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*Create a universal learning entitlement that helps all Australians access high-quality tertiary education and makes lifelong learning a reality.*

*Use funding of priority places and strategic industry or place-based needs to drive greater alignment and enhancing coordination and collaboration between the higher education and VET systems.*

*Consider new models of WIL delivery that combine study with paid employment/work-based learning.*

*Improve the Recognition of Prior Learning (RPL) and relevant work experience through a National Skills Passport or similar mechanism.*

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<sup>2</sup> Reform measures should support underrepresented individuals who fall outside the traditional equity cohorts as currently defined by the Department of Education including people living with disabilities, people with lived experience of mental illness and domestic/family violence, and workers who need to transition from non-resilient occupations. Addressing underrepresentation in many cases also differs by industry (eg the need to increase gender diversity in trades, engineering, and nursing) and age demographic, noting that there is significant overlap in equity/underrepresented cohorts. RMIT is supportive of the Equity Practitioners in Higher Education Australasia recommendation to discontinue the current terminology and definitions around equity groups and introduce a new framework centred on 'priority learners'.

RMIT urges the Accord Panel to adopt our system change proposition that by 2040 all Australians of working age will have participated in education at the tertiary level, via university and/or vocational education, as part of their lifelong journey through learning and work and recommend that Government prioritises the four *Interim Report* Considerations for Change recommended below.

**Recommendation 1: Create a universal learning entitlement that helps all Australians access high-quality tertiary education and makes lifelong learning a reality.**

A universal learning entitlement that spans both vocational and higher education is the most efficient and cost-effective way to support both people's career-focused education goals over their lifetime *and* provide the skills required to fuel the economy we want and need.

RMIT therefore urges the Accord Panel to recommend that Government adopts a universal learning entitlement as a cornerstone of the Universities Accord. Enabling this will require:

- A new funding model that provides all students who are qualified for admission to study with access to Government support. This should include consistent student subsidies, supports and access to income-contingent loans across the tertiary system to underwrite the student lifelong education journey. More detail on this is provided at Recommendation 2 below.
  - As a first step, ensure that all students from equity cohorts are eligible for a funded place, and that this applies to all learners including those studying part-time.
  - This new funding model should include reforms to the policy levers and underlying assumptions that apply beyond undergraduate qualifications, and particularly to postgraduate research training<sup>3</sup>.
- Mechanisms that encourage and enable appropriate employer contributions for some forms of lifelong learning.
- A student-centred, needs-based funding model that recognises the additional costs involved in teaching students from equity groups and underrepresented communities (possibly adapted from the model used for determining school funding).
- Extending guaranteed funding for equity students to undertake foundation courses; we know that success in these leads to better outcomes in retention and degree completion in higher education.

**Recommendation 2: Driving greater alignment and enhancing coordination and collaboration between the higher education and VET systems.**

Australia needs to address the cultural and pedagogical divides between vocational and higher education and redefine the measures of successful outcomes. This will involve actively designing an inclusive system for learners of all ages and backgrounds, and for learners at different stages of their lives and careers while designing skills solutions with industry that move beyond a 'predict and provide' model and developing local

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<sup>3</sup> The *Interim Report* reflects common misunderstandings about Australia's Higher Degree Research (HDR) student cohort. Contrary to commonly held assumptions, many HDR students have industry experience before enrolling in their course of study and have no interest in pursuing an academic career. The average age of a PhD student at RMIT, for example, is 37 and a good number have had 10-15 years of work experience before commencing their PhDs. More individuals, particularly those members of groups currently underrepresented in research training, would undertake postgraduate research training if policy and funding settings were fully integrated into a universal learning entitlement supporting lifelong learning.

infrastructure for our future economy priorities.

RMIT's approach, which we argue can serve as a model to inform, test, and enable wider tertiary system reforms, focuses on those individuals who are increasingly exposed to changing labour market demands yet experience the highest barriers to reskilling—the large cohort of paraprofessionals, many on below-median wages, such as engineering technicians, teaching aides, care and support economy workers, and ICT technicians.

In this, we recognise that sustained growth and productivity in priority industry sectors relies heavily on the development of appropriately skilled workers with qualifications at the 'mid-tier' where there is currently a significant gap in the provision of applied learning programs between associate degree, higher apprenticeship, diploma, and industry-certified skills. Across the workforce, furthermore, employers urgently need existing employees to update and expand their skills, particularly digital skills, and learn to apply them critically in both existing and new roles.

RMIT argues that expanded 'mid-tier' solutions should be clarified and prioritised and promoted for a number of reasons.

- The 'mid-tier' is the skill level where there is significant work-force demand in key national priority areas.
- It is also the skill level ideally suited to upskilling and reskilling the significant proportion of the workforce who face job insecurity, pay insecurity and underemployment.
- Learners are able to experience and be exposed to combinations of skills and knowledge acquisition in the workplace much sooner (in some cases immediately) than most traditional HE work-integrated learning, making them productive while supporting their learning.
- By focusing initially on 'mid-tier' qualifications co-designed with employers for learners already in the workforce, RMIT has been able to cut through some of the deep cultural challenges that exist in moving toward 'parity of esteem' by demonstrating the equal value of VET and HE.

RMIT and other dual sector institutions are working on Higher Apprenticeships and Degree Apprenticeships that are innovative work-based qualifications at the 'mid-tier'. Importantly, they are employer-focused as well as learner-centric and have been co-designed with industry partners to support local development and be cost-effective and responsive to change. More detail on these qualifications is provided under Recommendation 3 below.

We have found that inclusive design and co-investment are critically important to the success of skills-based qualifications at the 'mid-tier' and believe that this will also be the case across the full range of qualifications as Australia builds a skills-based tertiary system for the economy we want and need. Our innovative pilot programs involve committed employers and State government working with RMIT in a 'delivery coalition' which is both valuable but also the only way to offer qualifications that bridge the structural policy and funding divides that currently exist between VET and HE.

Driving greater alignment and enhancing coordination and collaboration between the HE and VET systems, in our view, is fundamental to achieving the skills-based tertiary education system that Australia needs and that other countries are well on the way to implementing<sup>4</sup>. We therefore urge the Accord Panel to adopt this as a

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<sup>4</sup> Wales and Ireland, for example, are each undertaking a reform process to bringing their post-school education and training sectors into greater alignment. From April 2024, the Welsh Commission for Tertiary Education and Research will be responsible for funding,

priority recommendation in its final report enabled by:

- New policy levers to enhance capability across the tertiary education sector, enabling it to respond rapidly to Australia's skills needs and deliver the necessary numbers of graduates with professional, disciplinary, and high order generic skills.
- New Commonwealth higher education financing arrangements including through consistent pricing, loan arrangements, credentialing and shared VET/HE provision.
- Extending Commonwealth Supported Places at some AQF levels to TAFE and Dual Sector university providers in areas of crucial skill need.
- Using arrangements between industry, unions, and governments to progress the recommendations of the *Review of the Australian Qualifications Framework (AQF)* – this should be a matter of priority.
- Improving skills pathways by creating qualifications that are more modular, stackable, and transferable between institutions and institution types. This includes accrediting microcredentials that meet agreed quality standards under a reformed AQF.
- Targeted funding for ambitious industry-clustered delivery coalitions to support the qualification co-design processes that bring together employer partners, providers, government, sector specific stakeholders.
- Accelerate and expand ASQA's 'Towards Self-Assurance' initiative for Dual Sector universities which can work with ASQA to co-design a model of self-assurance for our institutions that takes into account their extensive experience of self-accreditation in higher education.

**Recommendation 3: Consider new models of WIL delivery that combine study with paid employment/ work-based learning.**

Learning-integrated work qualifications at the 'mid-tier' can mitigate the most immediate barriers of access and income for learners needing to re-skill or upskill while also supporting the needs of local industry. Seventy-four percent of businesses have expressed interest in employing university or TAFE students as higher-level apprentices or cadets, indicating a strong appetite for new apprenticeship-style contracts beyond the traditional trades.

RMIT argues that policy and funding measures for a reformed tertiary system need to provide more opportunities for learning-integrated work (LIW) where 'earn and learn' courses as well as more modular, stackable, and transferable units of study including microcredentials can be better understood, supported, and integrated into a more aligned, inclusive skills-based tertiary system.

While the current work-integrated learning (WIL) models are better suited to those entering tertiary education directly from or shortly after leaving school and studying full-time, LIW is particularly important for mature age students and also for those in underrepresented and equity cohorts who are deterred or prevented from undertaking tertiary education due to financial constraints.

Prototyping of mid-tier qualifications can be combined with applied innovations from around the world to accelerate Australia's leadership position in delivering accessible, modular programs with labour market value while serving as working examples illustrating components of a future tertiary system vision to serve the new majority mature-age learner.

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planning and regulation of all post-compulsory school education and research including further education, higher education, apprenticeships, school sixth-forms, adult and work-based learning and government funded research and innovation. The government of Ireland is progressing a shift to a unified tertiary system for learning skills and knowledge overseen by the Department of Further and Higher Education, Research, Innovation and Science created in 2020.

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Case Study 1: Supporting workers to earn and learn in the care economy

RMIT's Workforce Innovation and Development Institute (WIDI) has developed a higher apprenticeship initiative offering an Advanced Diploma of Community Sector Management. Through this initiative, higher apprentices are hand-picked by their employers based on their leadership potential to learn while undertaking on-the-job training.

The Higher Apprenticeships Pilot (HAP) project is the result of a partnership between WIDI, the Victorian Department of Education, RMIT's College of Vocational Education, and a group of seven industry partners. The project objective is to assist in meeting both the attraction and retention goals of the sector by providing a work-based 'earn and learn' pathway for upskilling existing front-line supervisors and team leaders through the creation and delivery of a co-designed, scalable, and sustainable higher apprenticeships model.

The HAP project benefits mid-career, predominantly female workers, some of whom have lost their job or were in precarious or vulnerable work as well as social services employers who are struggling to attract and retain workers. Significantly, RMIT's Higher Apprenticeship pilot had a qualification completion success rate of 87.5%, far higher than the norm for Diploma-level qualifications in Australia.

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Case Study 2: Combining skill levels and pedagogies in response to employer needs

*What we are doing:* RMIT is prototyping a degree apprenticeship in systems engineering, an integrated VE and HE pathway that will be majority work-based.

*Why we are doing it:* Employers have consistently expressed frustration that engineering HE graduates are too theoretical and can take years to develop the skills needed to be productive in the workplace.

*Who benefits:* School-leaver students from more diverse backgrounds can get a job whilst progressing toward a globally recognisable engineering qualification. Industry gets productive workers faster, saving time and money while building a pipeline of capable and committed workers.

*A system solution:* Expanding learning-integrated work models at the mid-tier provides employer ROI benefits and will encourage greater and more consistent industry co-investment in skills design and delivery.

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These case studies are only two examples of possible WIL/LIW innovations. To design and deliver such programs *at scale*, however, requires the tertiary education system reforms and enablers outlined above to support new models of WIL. RMIT, therefore, urges the Accord Panel to recommend that government considers *and enables* new models of WIL/LIW delivery that combine study with paid employment/work-based learning by actioning the priority recommendations above as well as:

- Improving Work Integrated Learning (WIL) and placements by providing participating students with better incentives and financial support.

- Ensure apprenticeship subsidies support all types of employers. Our initial ‘mid-tier’ qualification designs are revealing differences between Higher/Degree Apprenticeships and traditional apprenticeships. The former can require more in-class learning (and by extension less time in the workplace in the early years of the program) which causes participation challenges for smaller enterprises that require apprentices on-site and where an apprentice is a larger proportional investment for SMEs.
- Extend Apprenticeship Support Loans (renamed from Trade Support Loans in the legislation amendment bill recently passed by Parliament) to those undertaking qualifications in priority areas at the ‘mid-tier’ and Associate Degree level.
- Encouraging, through the National Skills Agreement and other processes, jurisdictional alignment on the legislative definition of an ‘apprenticeship’ to be inclusive of VET and/or HE. This is a key enabling reform that will allow higher and degree apprenticeships that span the VET/HE divide to access student support and protections as well as employer subsidies.
- Providing targeted funding to support the higher costs of work-based assessment, student mentoring and student equipment to deliver the desired quality and outcomes.

**Recommendation 4: Improve the Recognition of Prior Learning (RPL) and relevant work experience through a National Skills Passport supported by a digital skills infrastructure.**

A National Skills Passport (NSP) will make tertiary education more easily accessible to school-leavers, mature-age learners, and those with less experience of post-school education and training. Coupled with a move to more skills-based classifications of demand, such as those currently being undertaken by Jobs Skills Australia, a NSP can provide an important scalable mechanism for creating a shared language to better capture, communicate, and reconcile where necessary, the wants and needs of learners and employers including improving the recognition of prior learning and relevant work experience<sup>5</sup>.

Viewed in this way, a National Skills Passport (NSP) and its related 'data infrastructure' are both enablers and necessary conditions for delivering the tertiary system reform we need at the scale we need it to happen. Adopting a scalable approach to an NSP provides a single point of record for individuals as well as a way for all stakeholders to navigate the wider skills ecosystem. It could operate across all sectors of education delivery and involve employers, unions, and community support services (eg careers advisors or migrant support agencies) as well as individual learners and points to a way to get over the catch-22 surrounding the implementation of key cross-jurisdictional education and training reforms.

The benefits of an NSP, furthermore, are not limited to tertiary education and training. The NSP could and should be aligned with the changing digital infrastructure and design principles for senior secondary pathways and tertiary admissions, to align with the Shergold Review recommendations, and with the implementation of Victoria’s review into vocational and applied learning pathways in senior secondary school<sup>6</sup>.

This is needed to effectively scale and communicate a revised skills and qualifications architecture and provide learners, providers, and employers with the information and tools they need to inform decisions, give

<sup>5</sup> A NSP will facilitate improvements to RPL, the design of skills-based classifications of demand, and better communication of skills attainment more clearly at all levels of tertiary education. RMIT’s PhD curricula, for example, provides skills-based training that prepares doctoral candidates for a range of career options, not just academia, and most of our students do not end up in academia. A NSP would facilitate more standardised and expanded RLP for this cohort (especially for underrepresented cohorts) as well as provide a mechanism to better capture and communicate to employers the skills acquired during HDR study.

<sup>6</sup> Education Council (June 2020). *Looking to the Future: Report of the Review of Senior Secondary Pathways into Work, Further Education and Training*; State of Victoria Department of Education and Training (2020). *Review into vocational and applied learning pathways in senior secondary schooling: Final Report*.

individuals a way to document and validate their skills attainment throughout their lifelong learning journey.

#### Final Note

While a separate review may be needed to set the full reform agenda for Australia's research and innovation eco-system, RMIT calls the Accord Panel's attention to the ATN submission's recommendation on research and research training. We urge the Panel to focus on how the university research and innovation eco-system is developed and supported within an expanded post-secondary education system. *Final Report* priority recommendations should address shortfalls in national competitive grant funding relative to cost and consider re-assessing and adjusting the distribution of government research funding more proportionally across Australia's areas of strategic priority. The attached opinion piece highlights some of the current challenges.



## **Attachement 1: Engineering Australia's prosperity**

***Current government research funding proportioning does not match the relative needs of Australia, its people and especially its industry, and should be realigned to better support the Australian economy argues Professor Calum Drummond, DVC Research and Innovation at RMIT University.***

References to Australia's "research-intensive" universities are invariably in relation to the university grouping called the "Group of Eight (Go8)" and generally based on analysis of either total research income or volume of research outputs.

Research funding in Australia is dominated by health and medical research funding, meaning any rankings of "research intensity" is biased towards universities with long-standing medical faculties and close affiliations with medical research institutes and hospitals – generally the Go8 universities.

The level of health and medical research intensity is an important consideration for Australia, given our aging population and our shared desire for longer, healthier lives.

You can, however, readily argue that it is far from being one of the most important research fields when it comes to Australia's economic prosperity and social wellbeing.

An over-emphasis on health and medical research is not aligned to the requirements of much of Australia's wealth generating industry.

As a nation, we need to be generating wealth to afford quality education and health systems, maintain national security, support social cohesion measures, manage environmental remediation and custodianship, improve the liveability and sustainability of our cities and regions, promote the arts, and advance positive culture-based agendas, among other things.

Economic prosperity matters. Australia's government research funding distribution should be better linked to what matters for the Australian economy.

Enabling Australian production and services, in all their forms, through research translation and innovation should be a particularly strong focus.

If we remove the elephant in the room, and focus on non-medical areas of research, then a very different order emerges in terms of the most research-intensive universities in areas of economic importance to Australia.

To emphasise the point, I have investigated research intensity based on the number of research outputs of Australian universities in three subject areas; Engineering, Materials Science and Computer Science. \*

Throughout the world, engineering is recognised as being directly linked to economic prosperity. The pathway to impact for many scientific discoveries is through an engineering process and/or engineered product.

Science and engineering are part of a joined-up value chain. For example, all engineered products contain materials. Materials science is therefore part of the engineering value chain. Digital innovation, where products and services frequently come together, usually involves materials, engineering and computing coming together.

In Australia, the Top 10 Engineering universities in order of most research intensive first are UNSW, UTS, RMIT, Sydney, Monash, Queensland, Melbourne, Deakin, QUT and Swinburne.

For Materials Science the Top 10 in order comprises UNSW, Queensland, Monash, RMIT, Sydney, UTS, Wollongong, ANU, Melbourne, and QUT.

For Computer Science the Top 10 in order is: UTS, Sydney, UNSW, Monash, Melbourne, Deakin, RMIT, Queensland, ANU, and Macquarie.

I suggest we move towards being more sophisticated and nuanced in our national discourse around research-intensity.

As a nation we need to rethink the balance of government allocated research funding particularly through Commonwealth competitive grant schemes and research block grants.

The University Accord process, and the review of government funding of university research, could be a mechanism to address the current significant imbalance between health and medical research and other areas of research needed to ensure a prosperous Australia.

\*sourced from documents recorded in the Scopus database for the year 2022, as accessed in July 2023.