



Andrew Barr MLA

Chief Minister

Treasurer

Minister for Climate Action

Minister for Economic Development

Minister for Tourism

Member for Kurrajong

The Hon Jason Clare MP

Minister for Education

Commonwealth of Australia

PO Box 6022

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Dear Minister Clare

Jason

Thank you for your letter on 19 July 2023 about the Australian Universities Accord Interim Report (Interim Report). I appreciate the ongoing consultation regarding the review and write to provide further feedback on priorities and potential 'system shifts' identified in the Interim Report.

As identified in the Interim Report (page 34), the ACT has the highest proportion of people with a bachelor or above qualification. Canberra's knowledge-based economy will be reliant on a qualified population and fit for purpose education and training system accessible to all members of our community.

Support for students

The ACT Government welcomes initiatives to support all students access university education and be able to complete their studies. In particular, the ACT supports further work on initiatives that will improve Closing the Gap outcomes and ensure more people with a disability and people from lower socio-economic backgrounds access higher education and attain a qualification.

Addressing cost of living pressures will be a critical factor to increasing enrolments and attainment and should be a focus of future programs. The ACT Government is providing over \$3 million over three years to two universities to provide financial support to students in nursing, midwifery and allied health courses. A proportion of that funding will assist students undertake work placements, particularly where those placements are interstate.

Given the identified priority of increasing attainment of qualifications to meet Australia's future knowledge and skills needs, real and practical assistance such as cost of living support should be a core component of university studies factored into the overall Commonwealth funding model for universities rather than defaulting to state and territory governments.

Coupled with this, other assistance such as mental health and access to community supports has proven to be a critical factor in assisting vulnerable students to complete their qualifications.

A greater focus on provision of affordable student accommodation is also important, to ensure students have safe and secure housing options and that pressure is taken off the broader housing sector in cities like Canberra with a significant student population.

International Students

International education is a critical part of the ACT economy. International students also contribute to the diversity of the ACT's community, and ensure the ACT remains globally connected through relationships and networks developed with local institutions, peers and employers.

The benefits of international education are wide-ranging, and every effort should be made to encourage international students to come to Australia to study and to stay once their studies are complete. Improved alignment of skilled migration settings with national and local outcomes and timely processing of visas will be critical to ensuring students with critical skills stay in Australia. In a period of tight labour market conditions and international competition, ongoing access to skilled people is critical to productivity and overall economic growth.

The ACT supports the aim of creating sustainable funding measures that insure against future economic or policy shocks. However, the introduction of a levy on international student fee income, or other measure that may result in an increase of costs to students to study in Australia, is not supported by institutions. Given the international competition to attract students, Australia is at risk of losing further market share and compromising our international reputation that has been gradually re-established.

There is an opportunity to further promote Australia as an attractive destination. International students maintain relationships with friends and family in their nations of origin, and visiting friends and relatives are a significant tourism driver. However, spending on marketing for international students is minor relative to the overall tourism budget. The ACT would strongly support a greater national marketing effort to attract international students to Australia.

Better integration between universities and vocational education and training (VET)

The ACT is a knowledge-based economy with growing demand for higher level skills to meet emerging workforce needs. There is an urgent need to ensure regulatory and funding arrangements support greater collaboration between, and integration of the sectors. Expediting qualifications reform will be critical to enabling joint design and delivery of the skills necessary to adapt quickly to changing economic and workforce needs.

The acceleration of the transition to a net zero economy and the growth of the care economy highlights the need to urgently think differently about how skills are identified and the most

appropriate way of delivery – either through VET or higher education, or a mix of the two. I note the Interim Report acknowledges that an integrated tertiary education sector goes beyond ‘dual sector’ institutions or the development of pathways between VET and higher education.

The ACT supports focusing on the relevant strengths of VET and higher education and reducing impediments to integration to create new types of qualifications that meet rapidly evolving national and local priorities. TAFEs, as government owned entities and universities are well placed to work together, with access to high-quality industry experience to solve workforce issues.

Research, teaching and community identity

The ACT Government notes the debate about the balance of funding to research and teaching is ongoing. As Identified in my previous correspondence, research-intensive universities and institutions drive innovation which provides unique, domestically sourced solutions to skills needs and future economic demands.

The ACT considers it is therefore critical that universities are sufficiently supported to not compromise the research that is necessary to drive innovation or teaching students. Both roles are equally important, and it is detrimental to put these two functions in competition with each other.

Universities also have an important role within communities and civic leadership more generally. Better integration of campuses and institutions with local communities provides an important pathway for people into higher education where they live and will also ensure the latest research and skills can be invested in or used to the betterment of the community.

Thank you again for the opportunity to provide comments to assist in the development of your final report. Please contact [REDACTED] at [REDACTED] if you have any further questions.

Yours sincerely

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Andrew Barr MLA
Chief Minister
31 August 2023