



Australian Universities Accord Interim Report

Response by Deakin University

August 2023

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EXECUTIVE SUMMARY

Deakin University welcomes the publication of the Australian Universities Accord Interim Report.

We specifically note the below from the Interim Report's introduction:

"Higher education is transformative for individuals and for the nation, bringing countless social and economic benefits....there is simply no getting away from the stark fact that a high-quality and equitable higher education system is now essential." (Interim Report, p1).

This is a once in a generation opportunity to shape and define our sector so that it can best serve the interests of our nation, its communities and the individuals who make Australia what it is. To do so is not to undermine all that has been achieved to date, instead it acknowledges all we can be tomorrow, and determinedly sets about achieving this. Reform of our sector is not an acknowledgment of failure, it is a real excitement for future opportunity.

If we waste this opportunity with anything less than a significant reshaping, if we merely accept the status quo with some tinkering around the edges of equity and funding, we will have failed. Yes, there are many good ideas for meaningful change in this Report – we celebrate these. However, beyond notions of equity – too often expressed only through the lens of school leavers, at the expense of adult entry and lifelong reskilling, – it is lacking a guiding reform philosophy, a concerted consideration of where we are, what we want and how to get there.

This must be seen as the fork in the road: do we do the hard work to set up our sector, and nation, for decades to come? Or do we merely tinker, deferring the difficult, and leave the foundational cracks and flaws to fester?

To do the first is to rise to the challenge. Not everyone will be happy, there will be winners and there will be losers; that is public policy brave enough for the national interest. To do the latter, however, is a betrayal, with those who suffer most those with the least influence over coming generations.

We must also ensure that the reforms simply do not 'bake-in' a pattern of funding and mission based on what is happening in 2023. Institutions must be able to respond to need and grow in response to community and national needs to develop relevant skills and knowledge – let us remember that the pattern of performance in 2023 is very different to that in 1983 or 1953.

Expressing this fear, below are Deakin University's five core recommendations to rise to the challenge:

- 1. Consideration of the where we are, what we want, and how to get there:** all policy direction or sector reform needs to be preceded by a foundation consideration of the very purpose of the sector: what is the overarching purpose, mission, values and ethos, of universities? What does Australia want from a modern, successful, influential sector that delivers true impact for the nation, our communities and individual students?
- 2. Monitoring, accountability, and incentivisation – the social contract:** whether equity education, research impact, community mission, or industry activities, our regulatory and funding system must include extensive monitoring and systems of accountability:
 - a. Agree and set individual performance benchmarks, targets and requirements.
 - b. Clearly, transparently and simply monitor institutional performance.
 - c. Where performance exceeds benchmarks and targets – provide incentives. Where performance is below requirements – implement funding and places cap-based consequences.
- 3. A comprehensive, student-centred approach to true equity:**
 - a. Tackle school inequality, to feed equity gains in a post-18 sector.
 - b. A student-centred approach to equity, beyond geographic or institutional limits.
 - c. Equity beyond school leaver cohorts, as it applies to research activity, and those elements beyond the core degree i.e., networks, social capital etc.
- 4. A comprehensive, meaningful policy program for research:**
 - a) Where, and how much, are we investing? Is this the right level?
 - b) Have we got the balance correct between our national priorities and the outcomes we want from our research landscape?

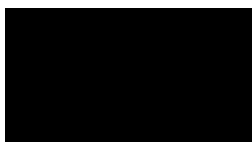
- c) What is the impact, both the outputs and the intellectual environment, combined with what funding mechanisms will enable these.

5. The Three Pillar (Education, Research and Community) Block and Volume Model:

Reshape sector funding systems to equip universities to take up the challenge for the nation, while serving students via lessened debt and a meaningfully eased financial burden.

In this change process, close enough cannot be considered good enough. We have the opportunity; we owe the nation and generations to come to seize it.

Additional comments, considerations, and recommendations are contained within the body of our submission. In addition, our submission is made in concert with that by the Australian Technology Network (ATN), of which Deakin is a member and to which we contributed significantly. Where Deakin has not provided comment, we support the position of the ATN.



Professor Iain Martin

Vice-Chancellor

FOUNDATIONS OF THE SECTOR, WHY UNIVERSITIES, AND GOVERNANCE

(Interim Report Sections 3.1, 3.2, 4.1, and others relevant)

Despite those pointed to by Minister Clare in his address to the National Press Club launching the Interim Report, the 'spikiest' idea before the Accord Committee has received insufficient attention.

There can be no 'spikier' idea relevant and current to the sector, as well as the broader post-18 education sphere, than grappling with the very purpose of our sector. What does the nation wish from us? Why such aims? Only knowing these may we consider how to best reform the sector.

As Deakin argued in our prior submission, to address what and why, we must consider a simple phrase: national objectives and interests. We repeat our call for a body of work, preceding policy change, that asks the foundational questions: what is the overarching purpose, mission, values and ethos, as universities? What does Australia want from a modern, successful, influential sector that delivers true impact for the nation, our communities and individual students?

Without such a vision it will be impossible to optimise for the many competing interests seeking to influence implementation. As such, the absence of this overarching and compelling framework detracts from our ability to judge which ideas should be pursued or dropped in pursuit of the goal.

Tertiary Education Commission

Deakin supports in principle the establishment of a Tertiary Education Commission (TEC).

Deakin believes that at least in the design and implementation of the new system, such a body will increase the chances of success of the future post-18 education sector the nation requires.

Given the potential centrality of the Commission to the operation and success of universities, Deakin proposes careful consideration be given to the following key factors:

1. What is the purpose and mission/agenda of the Commission?
 - a) Is it an ongoing body with an established mission to oversee the sector?
 - b) Is it a time-limited body, with a specific mission of considering the breadth of reform and policy change opportunities, effecting a remaking of the sector?
2. What is the composition of the Commission, who is the foundation chair of the Commission, how will it be resourced and how will it report progress?

Our priority is clarity of mission, purpose and operation. In the case of composition, this is a critical consideration. Deakin strongly opposes the appointment of sitting or recent vice-chancellors – it must be removed from institutional considerations.

It will be important that in considering this idea, the lessons learned by New Zealand and Ireland are taken into account during the design and implementation of a TEC.

Initial work of the Commission

Given the primacy of any Commission, and appreciating the potential scope of work, we propose further consideration be given to core issues. For example:

1. To 21st century Australia, what is a university? How much teaching? Research? What are the pathways for enrolment and success?
2. How much do we consider the system at national or state level regarding university missions?
3. What scale of institution is required for true global relevance, impact and performance? Is this possible within the current sector composition, or is change required?
 - a) If change is required, do we plan a structurally differentiated system? How would this look?
 - b) If structural change is not required, do we implement measures supporting differentiation, with organic outcomes?
 - c) What does world-class even mean to Australian universities?
4. How do we balance choice for individual students, while meeting local and national needs?

5. What is the best mechanism to accountably integrate the mission of individual universities into an overarching national system? The New Zealand experience does not support the idea of mission-based compacts without financial instruments to ensure alignment to delivery.

Governance and universities for students and staff

Governance

Deakin notes the Universities Chancellors Council submission and their recommendations.

We further note that the breadth of modern institutions demands a wide range of skillsets and expertise for a properly functioning governing bodies, which has driven the make-up of modern councils and senates. In particular, as universities increasingly expand industry-aligned work, as well as the civic and geo-political role they play, these factors must be reflected in the make-up of our Councils.

Student safety and engagement

Deakin welcomes the recent Federal Government announcement of a special, expert taskforce towards increasing student safety. At an institutional level, we place considerable priority on this issue, from our Council and executive team and throughout the whole university. Deakin has been at the forefront of innovative programs to tackle these issues. We take this task very seriously and will continue to seek to innovate, implement evidence informed measures and work with external partners to affect positive change.

Such change must be a combination of within-university work, as well as in collaboration with community and government organisations. Affecting real change means tackling these horrid issues not merely as they present, but at the root. True behavioural change is difficult, and any approach ignoring such a reality is unlikely to be effective. Our young people need to be educated in school years about respect and consent. By the time a student arrives at Deakin, they are adults, and behaviour change programs have some success but not for every cohort. This is what our experts tell us, and we should listen to them.

As such, the work of making students safer during their time at university, not simply while on campus, but throughout their student journey, is one of work by the sector, but also beyond. We are not just a willing partner, but a ready one – we welcome working collaboratively to see real change.

Universities as employers

Rightfully there has been a concerted focus on matters of underpayment and employment models in the sector of late. As Deakin made clear previously, while mistakes may occur, there are no excuses for systematic underpayment and other wage issues. Likewise, the rates of casualisation across the sector cannot continue, they must reduce sharply and the structural setup of the system must support and facilitate this.

Deakin previously outlined the three factors we would place at the core of reforming employment:

1. Ensure that we have career paths for academics who specialise in education, research or industry engagement, that can sit alongside the more traditional portfolios.
2. Create a different approach for sessional academics where a more enduring employment relationship is the normal approach, with the associated security for staff included.
3. Allow fixed term teaching intensive roles, with protections to ensure repetition of roles by individual staff triggers security for the staff.

Any consideration and focus on universities as employers must also acknowledge and celebrate our sector as leaders across many employment conditions. Superannuation, parental leave, wellness leave, working from home, flexible work and career advancement conditions at universities are better than most, and certainly better than government. Where the Federal Government celebrates 15.4 per cent superannuation (and state governments lag sharply), universities provide 17 per cent. Our work week is 37.75 hours. We provide 28 weeks birthing leave and a further 18 weeks of primary care leave, wellness leave, cultural leave, extended Christmas shutdowns and so on.

There are issues, and we must put real energy into solving these, working with partners on evolving employment models to increase security. But we are leaders on conditions; we seek to work with government to design a funding and delivery model that will enable us to continue this progress.

MONITORING, ACCOUNTABILITY, AND THE SOCIAL CONTRACT

The Interim Report notes the importance of tight monitoring and accountability for equity performance. This is a good start, but a start is all it is. If we are truly to realise maximum contribution and impact for public investment; if we are to place the sector at the heart of the remaking of our nation to maintain standards of living and meet the stark economic and social challenges laid bare by the *Intergenerational Report*; and if we to maximise the impact of the sector for decades to come, – tight monitoring and accountability must reign across all areas of our mission and funding agreements. That is the social contract that universities must have with the nation and our communities.

There are four core principles to any approach to monitoring and accountability for our actions:

1. A platform for each institution to work with government, and agree and set individual performance benchmarks, targets, and requirements. These should reflect mission, purpose of the university and have relevance to the student cohorts served.
2. Clearly and transparently monitor institutional performance against these agreed benchmarks – these must be outcomes based, not only on participation.
3. Where performance exceeds benchmarks and targets provide incentives via funding and cap places. Where performance is below requirements, implement consequences via funding and places cap-based reductions.
4. All measures should be simple to collect, reproducible and not require additional reporting requirements. The goal would be to remove other reporting measures to facilitate those agreed.

As a sector we must accept that our social contract requires this. Across the sector we know what works and what is less than optimal, whether in equity education, research at the global cutting edge, or community and industry work, the standards must be high, the monitoring real and the accountability measures equipped to bite.

From equity, to research, to community impact, we must ensure that the investment of the Australian population is used in a way that maximises the impact it can create.

Many universities have an enviable track record of equity performance measured against outcomes. Outcomes, not simply participation, is what must matter most. Outcomes here means equipping students with the qualifications and opportunities for the future. Participation alone is a road to the false dawn of debt without degree.

It is the same with research: our nation's research investment must focus on global excellence and support those operating at this level appropriately. We are too small a nation not to focus on how and where we invest.

Of course, context will be critical: the benchmarks applied must reflect the diversity of our communities and institutions. Context is not code for easy – let us be bold, set high standards and challenge our sector to exceed them. A brave and honest sector would welcome this: Deakin certainly would.

EQUITY – TRUE EQUITY

(Interim Report Sections 2.1, 2.3, and others relevant)

Deakin fully supports the Interim Report's comments regarding equity as a focal issue for the sector. We are not a traditional, school-leaver institution. Equity is at the heart of our mission, across many diverse age and demographic cohorts. Our work in regional and rural areas, as well as in metropolitan centres, speaks to this.

For too many Australians, university education remains out of reach, in many cases it is not even a consideration. From socio-economic barriers insufficiently addressed by governments past, to universities' own failures to properly engage key excluded communities in a meaningful manner, not simply prior to prospective enrolment, but as students without the advantages and structural opportunities possessed by those from higher socio-economic or academically oriented environment.

As such, while largely supporting those considerations presented, we make the following comments.

School equity

Universities are but one component of the Australian education system, a system with a lifelong mission and responsibility. As such, the school education received is amongst the most important components of their opportunity to succeed in study. While driving equity targets and opportunities at university, we must address equity in school education. Unless we address disparity at school, in particular a lack of opportunity for too many, we will never achieve our aims at university level.

This is not a debate between private and public education. Far too great a disparity is evident within the public system, as well as the private. However, without a quality school education for those amongst groups considered 'equity' cohorts, we will never shrink the gap in university attainment. For example, in engineering: how can we lift equity enrolments when so many students attend schools with poor science facilities, lacking specialist maths teachers and other impediments?

Across all age groups

Across Deakin's student population, school leavers do not form a majority and we are not the only institution with such a profile. We must contextualise equity opportunity beyond school leavers: it is a matter of lifelong learning and opportunity. Breaking down Australia's economic and social silos means doing more than tackling equity for 18- and 19-year-olds. It means the opportunity to reach potential across age groups, tackling educational disadvantage where we find it.

We, along with numerous fellow institutions, hold particular concern that equity is largely conceptualised as a school leaver issue in the Interim Report. This is only one angle and is insufficient.

True equity is about course and institutional equity, beyond geographic equity

Equity of university opportunity is about more than getting to your local institution. If equity is to truly serve the nation and the students themselves, we must consider it beyond the interests of individual institutions. This is core to matching equity with excellence, per our prior submission.

We would urge the Panel to continue its work started in this Report, further exploring how equity may mean both non-geographic and course-centred equity for students, a student centric approach. This means matching academic potential and drive to student capability.

This means decoupling equity from course or geographic limitation. If a student has the academic potential, the curiosity and commitment to study chemical engineering, or medicine, or rocket science, pure maths, or Shakespearean literature, then they deserve a system that will enable them to attend the institutions that excel in such fields, regardless of where they live. That is the point of a student-centred system. And it is to the national advantage. It cannot and should not be limited due to economics, or to offer pseudo-structural protection to specific universities.

Innate talent and aspirations are distributed across all student communities – we need to strive for a system that better matches talent and aspirations to opportunity and to do otherwise is to sell future generations short. A truly equitable university would draw evenly from all parts of our community.

Equity is more than a place

Further, we argue equity is more than a place. Degrees are more than an officially recognised qualification of knowledge. The role of social capital, aspiration, networks and post-study opportunities are at the heart of student success. These are the factors that are most difficult for students from a range of equity cohorts to attain. Yet, without them, there can be considerable barriers in the employment market.

How we, as institutions, address such non-classroom factors speaks to our commitment to equity as more than an enrolment statistic: accountability for our actions, our approaches, how we value our own perception and the value to students. We must match talents and aspirations, combined with effort and potential of the individual student, as well as these concurrent factors for future success. |

Equity in research

Deakin supports the extension of the equity focus to research. Deakin has particular experience in extending research activities in such a manner, for example via our rural health work. We would welcome the opportunity to support model development for such an approach i.e. rural and regional; lived experience; Aboriginal and Torres Strait Islander research capability etc.

A word on targets

While Deakin supports implementation targets to drive equity success per the Report, we highlight the importance of context. Such targets must recognise areas of study, geography and similar factors. For example, across Deakin's footprint, our First Nations population represents approximately 1.4 per cent, which is reflected in Deakin's enrolments. Context, not one-size-fits-all, will be required.

RESEARCH, EDUCATION, AND AN INTEGRATED SYSTEM

(Interim Report Sections 2.2, 2.4, 2.6, 2.7, and others relevant)

Work to come for a future research system

Australia's research and development ecosystem is overly reliant on the activities, investment and the initiative of universities. In turn, we continue to carry a larger burden of costs, investment and risk.

While we support many of the considered directions regarding advancing the research ecosystem, these present as thought bubbles rather than an integrated agenda. As the Minister acknowledged, research policy, funding and approach is the area of greatest work still to come.

Deakin suggests that before specific policy levers, consider first where are we investing, is this appropriate and have we got the balance correct? Simultaneously, what are Australia's national priorities and what do we want from our research landscape, the impact, the outcomes and the intellectual environment? This is an economic question, but also a social and civic one. It places industry at the heart, but not at the exclusion of non-industry research shaped towards intellectual and civic life.

This work should be a priority for the TEC informing policy prescriptions to achieve a higher performing research ecosystem and activity.

Research quality and funding

Deakin supports measures towards the full funding of research activity, even if that means funding less research overall. Though obviously we support increasing research funding, bringing in-line with our OECD compatriots, such an approach highlights the importance of quality. As a nation, we cannot afford to spend on research lacking quality and impact. Tying funding to quality is critical.

We should recognise institutional diversity, per the Report's notes regarding increased sector diversity, and speak to institutional expertise and impact. This does not mean a small group should receive all funding. Rather, each institution set areas of recognised, proven research excellence. The scale of research required for global relevance and impact, and how to achieve these impacts, is a further consideration.

Deakin calls for a focus on three factors:

1. A commitment to three per cent of GDP spent on research and development.
2. A move to ensure that at least the indirect costs of research (if not full costs) are covered in funding mechanisms.
3. A mechanism to ensure that we have a funding system that genuinely supports the full range of research that Australia will need for future economic, social and cultural prosperity.

Making best use of university expertise

The current consultancy scandals highlight the drastic underutilisation of universities as expert counsel to government. This is a prime opportunity to revitalise engagement and move expert advice to a sector committed to public good. However, there are funding system impediments, such as workload impacts. Our Three Pillars block and volume funding model (below) presents one method through which university experts may be made available to government.

Growth link: research – education

Over preceding decades, there has been an assumption that growth in teaching scale will be accompanied by a similar expansion of research activity. However, should the sector reach the goals of a further doubling of student numbers, this will stretch comparative research growth beyond breaking point. We must reconsider this link. There needs to be a focus on research quality, priorities and impact rather than quantity.

Education, quality and integration

Deakin strongly supports a more aligned and integrated post-18 education system, including in esteem. The future knowledge landscape will require a close alignment between the tertiary and vocational sides of the system. Reform of the regulatory and qualifications systems for alignment and collaboration are critical, as well as improving fairness for students across post-18 landscape.

Such integration and alignment will require parity of esteem. Both tertiary and vocational post-18 education must be held in similar regard, two sides of one coin, and viewed as similar contributors to national and individual interests. The push towards university at all costs must end.

Stackable qualifications and great teaching

Deakin supports the implementation of the recommendation of the AQF review. In addition, while Deakin is supportive of the National Learning and Teaching Committee, we would extend the idea to what great teaching looks like, the core factors. Likewise, what makes a great student experience? From knowing, then we can propagate widely. Deakin also supports the Report's focus on parity of esteem across academic careers. Great teaching is as valuable as great research, but the skillsets are different. Parity of esteem will be central to addressing workforce challenges as the system expands.

Deakin absolutely rejects the inference that the stalling of stackable qualifications and pathways is due to university disinterest. Deakin invested heavily in this area. The potential of universities here is limited by a lack of frameworks and ad-hoc funding. This must be part of a remade funding system.

Study hubs

Deakin notes the early steps taken to implement the Interim Report's recommended expansion of the University and Study Hubs model.

Deakin proposes two principles of any further utilisation of this model:

1. Study Hubs/University Hubs should only be developed in regions, towns or similar centres that do not currently have post-18 education infrastructure. They should not be placed into towns or regions where a university currently has a campus, such as Warrnambool, as an ill-considered move to increase competition.
2. Any Study Hubs/University Hubs in metropolitan areas should use existing TAFE infrastructure wherever possible, rather than seek investment in standalone infrastructure. This reflects the economic realities of investment in even high-growth metropolitan areas and the likely enrolment additions to individual institutions.

We argue these two principles are critical to ensuring any Hubs represent more than a simplistic concept of equity and are undertaken with the full consideration of the opportunity to develop, not merely top-line statistics. However, per above, a pursuit of true equity, without geographic and institutional concerns, would be of far greater benefit to both students and the nation.

A NATIONAL FUNDING SYSTEM AND INTERNATIONAL PERSPECTIVE

(Interim Report Sections 3.3, 2.5, and other relevant)

The funding system of the university sector is chronically ill-suited to our 21st century missions. As acknowledged by the Interim Report, our sector's expanding community mission is central to government priorities, yet wholly unsupported via core funding mechanisms. Likewise, a wholly volume model, as now, fails its task on funding core national priorities where volume is non-existent.

Deakin supports the stated areas of further consideration regarding a sustainable funding mechanism for the sector. We note that our proposed Three Pillar (education, research, and community) mixed volume and block funding model, contained in Deakin's prior submission, meets the array of policy areas on page 16 of the Report: a, b, c, d, e, f, g, j and k.

By combining volume funding with a block grant approach, those areas beyond the reach of volume may be funded i.e. infrastructure, research and true costs, with transparency, while also protecting against rapid shifts in funding. Simultaneously, and critical to transparency and accountability, such a system also ensures government possess adequate levers to rewards universities meeting and exceeding their mission to a high standard and those that fail to deliver on agreed outcomes.

Affordability and student fairness

Deakin joins the Panel's concerns for affordability, both during study and the debt levels accrued. Our very social and generational promise is threatened.

While the HELP system, fundamentally, remains worlds best, the failure to update it to a modern context has led to disparity in outcomes. Immediate relief must be applied: repayment thresholds significantly increased, while

repayment rates reduced as a percentage of income. The British system has achieved this. As it stands now, HECS-HELP has become a debt bomb for too many.

Deakin also recommends a re-examination of the principles of who pays. Our system assumes costs are to be worn by those benefitting. This is true of the individual and government. However, industry is a major beneficiary of our knowledge economy, yet is absent from financial implications: all the benefits, none of the costs. This is out of step with various leading advanced economies, and addressing the imbalance would enable both a reduction of costs to students and increased funding availability to the sector, for minimal cost implications to business.

Finally, regarding Jobs Ready Graduate scheme, course cost banding and so forth, we support a simplification of the bands and shift to lower student costs. The continued tying of debt to future income is a simplistic measure whose time has passed. It is overly punitive based on assumptions often proved false. By addressing a more stable funding system for the sector, accurately reflective of the costs and benefits, we can shift to a simplified set of bands, reduced student costs and sustainability across institutions.

International

The priority and principal point of all discussions regarding the benefits and role of international education must be one of quality. This is almost entirely absent from the Interim Report. This is not about ever-increasing volumes or incomes; it is about integrating into the national mission. As seen prior to COVID-19, the drive of more and more international education risked the very social license. Instead, we must focus on partnership, alignment to national needs and the overall social context.

This speaks to concerns regarding rogue agents, and the misuse of post-18 education as an immigration backdoor. We support a clampdown on onshore agents encouraging students to enroll at one institution, then switch to another to make visas easier. Rather, we should shift to a system where concurrent certificates of education (COE) are only allowed where the original institution agrees. Simultaneously, the 28-day grace period to find a new COE must be closed completely, with a further system via which the origin institution may recover costs from that benefiting from the move. Only this way will we crackdown on rogue agents and rogue operators.

Further, Deakin opposes any international student levy. We argue it would send the wrong message globally, that international education is less about partnership, but a simpler income stream.