

Australian Universities Accord Interim Report

Response by University of Canberra

September 2023

University of Canberra welcomes consultation on the Australian Universities Accord Interim Report and is keen to participate in discussion. We acknowledge the work of the Accord Panel thus far and understand that this next stage of consultation also includes a Taskforce and working groups, with expert input and further modelling.

First and foremost, we call on the Panel to provide more transparency around this stage of Accord preparation, that was to include co-design, testing and ‘war-gaming’. We encourage the Panel to make known to the sector who is undertaking certain pieces of work.

We are a member of the Innovative Research Universities (IRU) and our Vice-Chancellor Professor Paddy Nixon commenced as Chair of the network from January 2023. We strongly support positions presented in the IRU submission on the Interim Report. In this submission we consider the Interim Report against policy objectives that are of particular concern to the University of Canberra.

Immediate actions

The strong headline message around this interim stage of the Accord remains the need for improvements in access and equity.

While the Accord Panel will finalise its recommendations later this year, the Government has moved quickly on five immediate priorities. These begin to directly address equity outcomes as well as some steps towards funding stability and improved governance arrangements. We welcome the Government’s acceptance of these, with legislation already introduced to enact removal of the 50% rule and extension of demand driven CSPs to all First Nations students.

Three of these immediate priorities align with those articulated by University of Canberra in its previous Accord submissions.

Demand driven places for all First Nations students - We welcome the Government’s action to allow all First Nations students, including those living in metropolitan areas, to be eligible for Commonwealth supported places in demand driven higher education courses. University of Canberra had joined the sector in advocating for this change. In line with its values, the University of Canberra strongly believes that capped funding should not be a barrier to any Aboriginal or Torres Strait Islander undertaking higher education.

Removal of the ‘50% rule’ and replacing it with strengthened student support - We welcome the Government’s action to cease the ‘50% pass rule’, given its poor equity impacts. In practice the policy was blunt, with those from disadvantaged groups impacted the most. Universities had great concerns that a perverse outcome of this policy was the potential to perpetuate disadvantage.

Extension of the Higher Education Continuity Guarantee into 2024 and 2025 – We welcome the Government’s announcement around funding security for another two years. This is critically important to universities as they continue to recover from the pandemic. A two-year extension will allow for transition to a new funding model under the Accord.

We acknowledge that the Government is moving quickly on other improvements, including another that we had raised as part of the Accord consultation.

Sustainable funding and processes – The Department of Education has initiated a Transformation Program that will be delivered over the next three years (2023-2026). The program aims to improve the way entitlements are delivered to education providers under legislative instruments, including the *Higher Education Support Act (2003)*.

Areas for further consideration

In addition to immediate actions, University of Canberra observes that many of its policy priorities are raised in the Interim Report in areas for further consideration. **We will be monitoring the Accord final report and recommendations to confirm that these have been explored more thoroughly.** Those of note are:

The need to support growth in the sector – The Interim Report acknowledges that university enrolments are expected to double by 2050. University of Canberra has also previously argued that a combination of population growth, the changing nature of work, and lifelong learning means that Australian university enrolment numbers in 20-30 years are likely to be more than double those now. There remains, however, unanswered questions around how and where this growth will be realised and who will meet the cost.

Equity, access, participation, and success – We are pleased to see that this remains a headline at this stage of the Accord process. There is much agreement in the sector on the need for strengthened student support and a deeper understanding of the full cost of participation in higher education.

Fostering international education – We note the report's discussion on international education and the Panel's initial ideas on recognising the benefits of international education, building the value proposition for international students in Australia, and supporting Australian universities to develop and maintain global links, particularly across India and the Pacific, to deliver both in-country and transnational education.

Place-based missions and civic universities – The University welcomes this inclusion in the Interim Report and the suggestion of recognising civic engagement in mission-based compacts. We note a 'spiky' idea of the Panel that consideration of place-based missions might be a remit of a newly formed Tertiary Education Commission.

A sustainable funding model – The Interim Report observes that the "success of the Australian higher education system relies on a secure, predictable, enduring and sustainable funding system" (page 22). University of Canberra strongly agrees with others in the sector calling for a new student-centred, needs-based funding model to remedy the inequities of the Job-ready Graduates package.

Need for ongoing capital investment in university campuses – We note that the Panel has included this in its section on the 'foundations of a high functioning national system'. In our previous submission we called on the Government to commit to long-term investment in Australian University campuses and technology and consider reinstating a Future Fund to support university infrastructure and maintain world class facilities.

Policy areas warranting further attention

University of Canberra acknowledges that the Interim Report is lengthy with more than 70 areas listed for further consideration. **We do have concerns, however, that some policy areas have not been adequately addressed. We suggest the following in particular warrant further attention.**

Clinical placements for accreditation – University of Canberra argues that there are two significant issues for the Panel to consider. The first is student support and 'placement poverty', now an area of national focus and well addressed by the Panel.

The second is lack of availability and cost of clinical placements as barriers to meeting critical workforce shortages. University of Canberra has strong concerns that the significance of this second issue has been underestimated by the Panel.

We cannot grow university places, meet the objectives of the Accord, and future workforce needs unless there is a national approach to the development and support of clinical placements. In some disciplines this is the single biggest rate limiting factor on growth.

This situation is challenging for universities who struggle to predict and budget for placements costs. It is not unusual for placement costs per student to exceed the Commonwealth contribution plus student contribution paid for the unit the student is enrolled in. This is not sustainable.

In a previous submission to the Accord Panel University of Canberra had called on the Government to recognise these barriers to meeting critical workforce shortages. We suggested a whole-of-government and tripartite approach to solutions. Federally this might be across Education, Health, Industry, Jobs and Skills, Migration, as well as considering tax incentives. State and Territories should be involved.

This is a matter of particular concern to us as the dominant provider of graduates in Canberra in areas of strong national skills priorities including education, health, disability, primary health, and aged care.

Research – University of Canberra argues that issues around research have not yet been substantially explored and we suggest that an Accord should provide a clear statement of research funding principles.

There is a need to transition to full-cost research funding and to having research and development investment of at least the OECD average. Funding for research in universities should not be reliant on international student fees, a risk highlighted during the pandemic. University of Canberra advocates for a strengthened base block grant for each university to provide stability and facilitate longer-term research planning and investment.

Attention must be given to appropriate distribution of research funding across the entirety and diversity of the university sector. In its paper on 'Concentration and diversity in Australian research funding, output and impact' the IRU notes:

The universities in the Group of Eight (Go8) account for roughly two thirds of all research funding and expenditure and this proportion has remained stable for at least two decades. But Australia is no longer reliant on the Go8 members to produce the bulk of country's research output. The Go8's role has steadily declined from 66% of all outputs in 2006 to 56% in 2020. In some fields the Go8 are now minority performers.¹

A statement of research funding principles should support recognition and reward for evidence-based social and economic impact of research excellence.

The sector needs to realise far greater support for PhD candidates, including support for stable career pathways. With the ambition of the Accord to dramatically increase the number of students completing degrees at Australian universities, it is imperative that consideration is given to providing a supply of doctoral-qualified academics to teach this increased student load. Doing so requires early support for candidates (stipends) and universities (funding to support research expenses and skills development of increased doctoral cohorts) to ensure adequate numbers of academics in advance of the influx of increased student numbers.

Review of Job-ready Graduates – There had been commitment by both the current and previous Government to review the Job-ready Graduates policy, post-implementation. This task, now well overdue, was later rolled into the review underpinning the Australian Universities Accord.

In the Interim Report, the Panel notes that "through consultation and submissions, the Review has noted substantial and overwhelming criticisms of the JRG package and the current funding system." (3.3.3 The Job-ready Graduates (JRG) package)

It is our observation that rather than thoroughly review and address specific deficiencies in the JRG policy, the Panel may recommend an entirely new funding model. This may be the best option.

University of Canberra notes, however, that there are many unanswered questions regarding the purpose and efficacy of the National Priorities and Industry Linkage Fund (NPILF) and the Indigenous, Regional and Low SES Attainment Fund (IRLSAF) components under JRG. Universities are still engaged in a pilot phase of the NPILF and policy details under IRLSAF are still being refined. Under JRG funding to establish both the NPILF and IRLSAF was redirected from per EFTSL teaching revenue.

University of Canberra notes that the funding policy prior to JRG, Performance-based funding is still somewhat in place, appearing as 'at-risk' amounts in the appendices of current funding agreements.

¹ <https://iru.edu.au/wp-content/uploads/2023/06/Concentration-and-diversity-in-Australian-research-funding-output-and-impact-June-2023.pdf>