



NTEU Response to the

Higher Education Review: Universities Accord Interim Report

Response to Expert Panel Review's Interim Discussion Paper

The National Tertiary Education Union (NTEU) represents the interests of over 27,000 higher education workers in universities, TAFEs, research institutions and other tertiary education providers.

We welcome the opportunity to respond to the Higher Education Review Panel's Interim Report as part of the Union's engagement in the Universities Accord process.

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Executive Summary

The NTEU supports many of the observations made by the review panel in the Interim Report, particularly the need for reform of governance, problems with the systemic use of insecure employment and the need for structural reform to funding and regulation.

The interim report canvasses 76 'discussion points', but the panel has stipulated that responses to the report are to be confined to no more than 5 pages. Given the breadth of the proposals issued for consideration by the panel, this restriction is problematic. While we have endeavoured to be succinct in our feedback, there are other issues that we have not included but would welcome the opportunity to canvas in further detail, particularly those that relate to student support and welfare (including measures that risk increasing the debt burden on vulnerable student cohorts).

We also have queries on some of the ideas that have been proposed but not fully developed, such as, needs based funding, the universal student entitlement, the reframing of international education and reliance on international student fee income, changes to the focus of tertiary education regulators and the proposal for a new tertiary education commission to provide policy advice, undertake research and act as a pricing authority. While we understand the timeline for the Review is tight, it would be valuable for 'discussion points' such as those to be outlined in further detail. There needs to be the opportunity to fully consider the ramifications of these proposals for those who work and study in the sector.

That said, noting the concerns raised in the Interim Report around the use of insecure employment, the Union has a further policy proposal that would assist in directly reducing the levels of casual employment in the sector. This is a separate proposal to the NTEU's Higher Education Secure Future Fund which we outlined in our last submission, which also targeted workforce planning and secure employment, but would take time to reach maturity. This proposal has the benefit of potentially being implemented from 2024 over the forward estimates, thus filling the gap in the immediate term.

The NTEU's recommendations are summarised below, with further details supporting these recommendations provided in our submission.

Recommendations

1. Ensure the teaching-research nexus is central for any institutions that are defined as a university under the provider standards, and that undertaking research continues to be a requirement in order to be categorised as a university.
2. Ensure student support services are appropriately resourced to handle any increased inflow of higher needs students.
3. Any Tertiary Education Commission should include consultative structures that include staff and student representatives.
4. Establish a sector-wide decasualisation fund to fast-track inroads into the insecure work crisis.
5. Fully fund research and improve conditions for researchers by bringing consideration of job security and workforce planning into the grant management process.
6. Conduct proper research into staff workloads and how these relate to funding models.

NTEU Response to the Universities Accord interim report

The interim report states that without change, Australia's higher education system will "rapidly become unfit for purpose." We agree with this statement. We also agree that universities should return to the core functions of education and research, and that they should be 'exemplary employers' who are actively engaged in their communities. However, some of the proposals that have been outlined in the Report are based on incorrect assumptions requiring further scrutiny. There are also several proposals that are likely to have unintended consequences for our sector. NTEU's response to these aspects of the Report are outlined below.

1. Expansion of the system and specialization

NTEU agrees that systemic changes to support access and equity are needed, however we are concerned that the introduction of specialization will create a tiered higher education system. Quality must be assured – for both research and teaching – and while scholarship in teaching should be recognized and rewarded, the critical nexus between teaching and research must also be recognised and upheld. This is most relevant for universities, where research is a requirement under the provider category standards and should continue as such.

The NTEU is concerned that in expanding higher education to be a "larger, fairer system" with more providers, and variations in these types of providers, there is also the potential for greater disparity in teaching and research quality, expertise and working conditions, than there currently is. There must be appropriate guardrails within any regulation and legislation to ensure any new institutions act as 'exemplary employers,' noting that many have failed to demonstrate this in recent years.

The expansion of the system towards a greater number of specialist providers could also create an unhealthy 'race to the bottom' with providers seeking to undercut competitors by reducing costs, such as pay and conditions of staff, and cherry picking the most profitable courses to offer that may not address workforce needs. Having experienced this exact situation in the VET sector in the past, we caution strongly against any repeat of this disaster at the higher education level. We also question whether the introduction of new specialist providers that are teaching focused will result in pricing differences in tuition fees, which would strengthen the perception that a two-tier system was in place – further reducing opportunity for those in regional areas, where institutions would no doubt fall into the bottom tier.

2. Integration of VET and higher education, changes to teaching pedagogy

The proposal for a mass expansion of VET and broader integration with higher education has several major implications for tertiary education staff in both sectors. In particular, it raises the idea of having more teaching focused staff who are still embedded in industry practice and enabling more students to undertake practice/industry focused subjects within higher education qualifications. The NTEU stresses the importance of quality academic work being informed by research or scholarship, and that any moves to integrate industry practice must not further enable insecure forms of employment for tertiary education workers.

In addition, while the proposal to extend HELP support to a greater range of sub-degree qualifications will assist more students, lessons must be learnt from the disastrous experiment of the extension of FEE-HELP to the private VET sector a decade ago.

While the NTEU supports the evolution of teaching scholarship and the inclusion of more student focused practice, we are cautious of changes that prioritize employer preferences over the development of general skills (including important 'soft skills') and critical inquiry. There are sharp differences in teaching and learning practice between higher education and VET, as both had clear and distinct roles in the tertiary education system. While the NTEU has negotiated around the creation of teaching focused positions as a means of supporting academic casual conversion, these positions still require research or scholarship and have pathways for academic career progression and promotion. We are therefore cautious of changes to teaching and learning practice that could result in a lessening of conditions and the further spread of insecure forms of employment, under the guise of bringing in 'profession focused' academic teaching staff.

We also note that the Review has proposed expanding the use of microcredentials within a more integrated system. Research has shown microcredentials are most effective when used to 'upskill' on an existing base of knowledge

and qualifications. Thus, there is concern that the proposal to ‘stack’ micro credentials will result in a piecemeal approach to learning, failing to impart any real expertise or understanding that underpins a qualification. There are questions too, as to whether microcredentials are effective in developing important core knowledge and skills, creative thought, and critical inquiry. While much store is being placed on the hope that microcredentials will create a mass expansion of workforce skills and training development, unless the foundations in knowledge and expertise are laid, the ‘scaffolding’ approach to learning is unstable.

3. Resourcing the increased participation of student equity groups

We agree that preparatory and enabling programs are proven ways to build academic preparation and provide a supportive pathway to further study for students. However, research in retention has found that some student equity cohorts require more support from institutional academic and welfare support services if they are to successfully complete their studies. As such there must be investment in suitably qualified staff at levels to meet the forecast demand, and for other academic and support staff who are likely to be first contact points for struggling students to be assisted through professional development. Too often student support services are outsourced and/or under resourced, making access to these services difficult and with unreasonably long waiting times. If the system is to be expanded to increase participation, there must also be corresponding investment by providers and governments in the appropriate resources – including human resources - to support these students.

4. The Tertiary Education Commission

The NTEU has previously proposed the creation of an independent body to oversee higher education funding to de-politicise it. We had linked this to our proposal for enhanced compact agreements between government and individual institutions (which we renamed as Public Accountability Agreements). Our concept however differs to what is proposed in the Interim report, which has a far greater range of responsibilities proposed under its Tertiary Education Commission proposal, including that this entity would oversee and enforce the provisions of the Accord.

It is not clear how the proposed Commission would interact with existing regulators and there is a danger that it may effectively add a further layer of bureaucracy to an already highly bureaucratic sector. There is however merit in the proposal to provide independent advice and analysis. We are cautious though, on the proposal around its function to act as a pricing authority, as well as the Commission ‘facilitating’ the emergence of new tertiary education providers. This could result in conflicts of interest, given that the Interim Report proposes that this body would ‘*ensure tertiary education regulation, including TEQSA, enables innovation in the tertiary education system,*’ and that the Commission would oversee the role of the regulators. We therefore question whether this structure could lead to the Commission overriding decisions of the regulators in the approval of new providers, given there is considerable difference between *facilitation* and *regulation*.

It is also vital that this Commission have representation from tertiary staff, given that it would be overseeing the Accord process.

5. Sector structure

The NTEU has concerns over proposals to further revise Provider Category Standards and in particular the recommendation to remove all requirements that *universities* carry out research. We note that changes made in 2020 to the Standards already allows for the establishment of *university colleges*, which gives self-accrediting status to a provider that is teaching focused without the associated need to undertake research activities. We therefore disagree with the proposal that further revision to remove research from the definition of a university is required to create ‘flexibility’ for institutions to ‘diversify, innovate and specialise.’ If anything, it would create confusion with students not having a clear expectation of the commitment of ‘their university’ to teaching and research. Currently, that distinction is clear, and therefore the NTEU sees no valid or compelling reason for change.

The NTEU also does not support the ‘hubs and spokes’ structure, as proposed by the Group of Eight research intensive institutions and reflected in the Report’s proposal to “*incentivise collaboration between institutions to reinforce research collaboration and establish new and innovative service offerings and education models for students to study across multiple institutions.*” Such a proposal would see research focused on a select few institutions, which would then position themselves at the ‘top’ of a tiered system creating further disparity in quality and access to research training opportunities. We oppose any structure that would lead to a US style higher education

system, where an elite few higher education institutions receive the bulk of research funding, resourcing, prestige, and influence (and carry the highest tuition fees), and other institutions in various tiers below. Such a system would exacerbate any existing inequities and undermine the reputation of Australia's higher education sector.

6. Workforce issues

The report should be commended for correctly highlighting that higher education employers have not met community standards in terms of supporting quality ongoing jobs or ensuring minimum legal requirements are met. NTEU fully supports the Accord's ambition to ensure that institutions become exemplary employers. However, at various points, the report has cited industrial "rigidities," such as attachment to the so-called 40-40-20 (teaching/research/administration) distribution of academic labour, as a potential obstacle to reducing the level of casual employment. This line of argument is often made by sector employers and their industrial association but is demonstrably incorrect. Many in the sector are concerned with maintaining balanced academic roles because, as highlighted above, these are important to maintaining the quality of both teaching and research. However, we stress that there is not a single NTEU-negotiated enterprise agreement which prohibits teaching-focussed roles for academics; in fact, such positions have previously been effectively incorporated within pathway programs to permanent academic roles.

There is a common view that the majority of insecurely employed workers in the sector are either postgraduate students or industry professionals, and that casual employment is preferable for these workers. However, NTEU surveys show the numbers of workers in these categories are in the minority, at around 20 per cent and 16 percent of casual university employees respectively.

In contrast, we note that there are at least 20,000 PhD-qualified 'job-ready' academics working in fractional casual jobs, doing work which would otherwise be done by 5,000 ongoing teaching staff. Leaving aside the impact on the lives of these workers, from a labour market perspective it is inefficient to have so many highly qualified and trained people working fractional casual jobs.

The reason for the proliferation of insecure employment is not related to workload models, but rather cost reductions and flexibility for employers. Casual employment is seen as cheaper by employers because:

- Continuing staff have access to annual salary increments to which casuals are not entitled, and many casuals, given their considerable expertise and qualifications, would be appointed at Level B (Lecturer) if continuing - the entry point at most universities for academic staff - whereas the great majority of casual labour is paid at Level A (Associate Lecturer).
- Casual staff can have their work disaggregated into separate rates for different duties, reducing costs.
- Even the most 'teaching focused' full-time academics must be allowed 20% of their worktime for scholarship providing for the maintenance of high-level academic knowledge to maintain teaching quality (notwithstanding newly negotiated transition arrangements at participating institutions). For casual staff, this work is performed unpaid and in their own time.
- Non-casual staff are paid superannuation at a higher rate.

As a result of this cost barrier to conversion, the NTEU is proposing a direct decasualisation solution to ensure immediate progress is made.

6.1 Direct Decasualisation

In order to directly address the ongoing systemic use of casual employment in universities it is proposed that the federal government establish a **higher education decasualisation fund** to make available at least \$250m per year for four years to fund the conversion of casual work into ongoing positions. This would be in keeping with the fund established by the Hawke Government in the late 1980s that provided development support for academic staff to assist the acquisition of higher degrees. It may be appropriate that the federal government request sector employers contribute funds to match a government contribution to reach the \$250m goal based on the respective levels of casualisation among their academic workforces. It is estimated that this would fund the creation of 5,000 new positions for the entire period.

This funding should be allocated by a committee representing government and key sector stakeholders. Under this model, government would provide terms of reference for the allocation of funds that include, for example, assessment and consideration of each employer's total employment level and its relative dependence on casual employment.

Further detail, including the calculations and assumptions which underpin this proposal, can be supplied on request.

6.2 Fixed-term employment

Of equal importance is the elevated level of long-term fixed term contract employment in the sector, especially in relation to research. Fixed term contracts are the dominant form of precarious employment in universities, and dwarves casual employment. In some universities, half of all non-casual academic employees are fixed term.

While there is some justification for fixed term employment in research-funded areas, such evidence as exists indicates that more than half of those engaged in grant-funded positions have such broad skill sets that they are employed on grant after grant – sometimes for 20 years. These arrangements are unjust and are a threat to academic freedom and research integrity. However, from a public policy perspective more broadly, the running of individual research projects, each like a small building project, leads to an inefficient and unstable workforce. Research leaders tell the NTEU that many excellent researchers leave the sector because they cannot secure ongoing employment, meaning they cannot get a mortgage or have the necessary financial security to start a family. Research leaders and managers tell us that what is 'rational' for them as budget managers is grossly irrational from the point of view of workforce retention and equity.

To solve the revolving door in Australian research the costs of research need to be fully funded at the base block grant level, reducing university reliance on short term grant amounts. Universities also need proper guidance from research funding bodies in workforce planning and employment practices. For example, it should be a requirement that staff employed under ARC grants at the very least be employed for the duration of the grant (rather than 12 months only as is the norm in many cases).

6.3 Professional staff

The report says little about professional (non-academic) higher education staff, who make up a majority of the workforce on a full-time-equivalent basis. Yet the arbitrary use of insecure employment is a significant problem for professional staff, with huge variations in the levels of fixed term and casual employment between institutions.

Career progression and workforce planning for professional staff is something that university managers have specifically eschewed in discussions with the NTEU. Senior officials of Universities Australia (UA) have advised the NTEU privately that many Vice-Chancellors had reported that they had no workforce planning function at their university, saw no need for one, and that “most were opposed to the idea in principle, especially at a sector or industry level.” This was reported in relation to both academic and professional staff.

6.4 Stressed and overworked staff

The Interim Report rightly says university staff are stressed. Yet one of the most striking features of our \$40bn industry is that many employers claim a lack of knowledge on workforce issues around workloads and mental health, while at the same time are deeply reluctant to correct this. In unsuccessful proceedings in 2017 before the Fair Work Commission for an award safety net on academic workloads, senior university managers repeatedly said they had no data about academic working hours, and no systems for ensuring that workloads for academic staff were not excessive.

Such limited data as exists all point towards the average hours for a full-time academic being around 50 hours per week, even when averaged over a year, with a substantial minority working more than 55 hours per week. While long hours may have been considered acceptable decades ago when academics had tenure, spouses at home, and worked mostly on self-directed work, none of these factors remain relevant. Union surveys with good response rates also indicate that a considerable proportion of non-managerial professional staff are working overtime for which they do not claim.

There should be a proper data set established in relation to the levels of academic workload (and its distribution between research, teaching, and other activities), and how these affect the quality of teaching and research, and unpaid overtime for professional staff. There should be a multilateral group to oversee, collect and analyse robust data on this, as a question of urgency. Such data collection would also give the Commonwealth factual information about the balance of these activities and how these relate to funding models.

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