

Australian Universities Accord Interim Report: The University of Queensland Submission



The University of Queensland (UQ) welcomes the Universities Accord Interim Report and agrees that a high-quality and equitable higher education system is critical for Australia to deliver on its national priorities and remain internationally competitive. UQ also **commends the Interim Report's five priority actions** which address a number of immediate issues and prepare the sector for further success. Our submission concentrates on the key issues from our perspective.

Growing higher education attainment rates

Higher education is a primary mechanism for addressing social inequality at the same time as delivering the educated and skilled workforce Australia needs for continued economic and social prosperity. UQ strongly **supports the Universities Accord's aspiration to significantly grow higher education attainment to 55% by 2055** and agrees that this requires increased participation of under-represented student cohorts. The Accord's aspiration aligns with UQ's *Queensland Commitment* to increase the proportion of students from regional, remote or low socio-economic backgrounds and ensure that the representation of Aboriginal and Torres Strait Islander students mirrors that of the broader Queensland community.

As noted in [UQ's Accord Discussion Paper submission](#), a whole-of-student lifecycle approach is required for students to participate and succeed in higher education. This requires schools, VET, universities, and all levels of government and education stakeholders to work together to remove systemic barriers and deliver programs that enable students to thrive. We agree with the Accord Panel that there is an important role for initiatives such as preparatory and enabling programs, and that universities must do more to ensure they are providing learning environments that are welcoming, supportive and inclusive.

We believe that government should **direct efforts to stimulating demand** for higher education. UQ argues that:

- The Accord process should **closely interconnect with the *Review to Inform a Better and Fairer Education System***. Increasing the proportion of Australians with a degree is dependent upon addressing educational inequities in the schooling system. It is necessary to significantly increase the proportion of students taking the academic stream in Year 12¹ to ensure that a greater number of school leavers (particularly those from under-represented cohorts) are adequately prepared for university study.
- The government should **address cost of living barriers** by broadening access to Youth Allowance to support student success and re-balance the return on investment for those with limited financial means, as well as those who must relocate to access their preferred course. In this respect, we are pleased to see that the Interim Report recognises the need to address the financial burden of students undertaking placements.
- **A strategic and holistic approach is required to build demand for study in areas of national priority.** This requires a better understanding of students' drivers of choices for higher education, taking into consideration the full education and work lifecycle — from subject selection in secondary school through to career choices across the lifespan. Such a response requires a multi-government approach, working across jurisdictions and government portfolios.

UQ is committed to closing the gap in education and strongly **commends putting Aboriginal and Torres Strait Islander people at the heart of the Australian higher education system and establishing a First Nations Higher Education Council** with the following characteristics:

- Indigenous led — constituted by Aboriginal and Torres Strait Islander people with experiential knowledge of the higher education sector.
- Mirrors the diversity of the higher education sector — includes representatives from rural, regional and urban institutions, and different types of providers (e.g. research intensive, dual sector, non-university).
- Has a transformative agenda — operates from a sovereign position on Indigenous education and delivers truth telling back to government.
- Implements transgenerational Indigenous practice — transfers knowledge from current Indigenous leaders to the next generation to sustain Indigenous leadership and vision for Indigenous higher education.

¹ In Qld, only 53% of students undertaking Year 12 complete the minimum of 4 general subjects (including English) required to obtain an ATAR. The remaining 47% engage in vocational or applied education. Students must complete at least 4 general subjects to obtain an ATAR because these subjects provide students with a solid educational foundation for university study.

A funding model to support growth

UQ notes that the Interim Report refers to the idea of a universal learning entitlement, and **we agree that all Australians are entitled to government funding that supports their access to tertiary education.**

To sustain and support growing demand for higher education, there is a need for a funding model that allows institutions to be responsive to this demand while supporting a more diverse cohort of students. In this respect, the Interim Report suggests 'demand-driven funding is no longer reflective of current requirements', but we are of the view that **demand driven funding is the best way to ensure institutions can flexibly respond to increased demand.**

- Centralised planning to align the supply of funding with student demand with skills shortages is fraught with difficulties and creates inefficient bureaucracy. Individual institutions are best placed to monitor demand and require flexibility to respond quickly.
- Additional policy levers can supplement demand driven funding to encourage institutions to focus on government priorities at the same time as improving student retention, success and completion. This could be achieved through mission-based compacts that recognise the autonomy of individual institutions.
- As outlined in [our response to the discussion paper](#), if demand driven funding is not possible, then we propose that institutional funding envelopes be replaced with a national funding envelope.

The government should also consider **funding models to support a more sustainable approach to the provision of clinical placements.** There are significant health workforce shortages across Australia and worldwide but, due to the insufficient provision of clinical placements within the public health sector and the escalating costs charged to universities for these places, universities have little or no capacity to grow the trainee numbers needed across the different health professions. The solution to this problem requires collaboration between the Australian and state and territory governments, and professional registration bodies such as the Australian Health Practitioner Regulation Authority. Funding for clinical placements should be delivered through health budgets, and ongoing registration for health professionals should be contingent on an annually demonstrated commitment to training the next generation through clinical supervision.

UQ notes that the Review is continuing to investigate possible funding models, and that any future model will **address the negative impacts of the JRG package**, including the significant gap between the cost of delivery and the funding for courses in a number of areas including Veterinary Science². As identified in the Interim Report, the continuation of JRG risks 'causing long-term and entrenched damage to Australian higher education'. We also agree that the student contribution rates must be recalibrated as a matter of urgency.

UQ **disagrees with a levy on international student fee income** and believes that individual institutions are best placed to allocate international student fees to their specific needs. As a not for profit, UQ invests income from international student tuition fees into teaching, student support, research and infrastructure — the very things the levy proposes to fund. We are concerned about how the levy will be perceived by the international community and prospective international students. There is a risk that the levy will result in reputational damage to Australia and harm a mature student market, as it signals that international students are primarily a government income source.

In addition, it would mean that for students, there is no longer a connection between the fees they pay and their university experience as fees are not directly invested back into their university. For universities, the introduction of a levy on international student fee income penalises universities that have developed an attractive proposition for international students and creates further bureaucracy for universities, and government, by collecting money that is then redistributed back to universities.

Supporting Australia's sovereign capability in research

The Interim Report's **proposals in relation to improving the research training system are supported, particularly the increase in the stipend rate and equity targets**, and we look forward to contributing to a national holistic research training policy.

UQ **welcomes the proposal to move the National Competitive Grant Program (NCGP) over time to funding the full cost of undertaking research.** An urgent and straightforward step is to close the salary gaps for fellowship schemes, as highlighted in [our submission to the Accord Discussion Paper](#).

² The [Independent expert review of the veterinary science education capability of Australia and New Zealand](#) argues that veterinary education is at a crisis point in Australasia and one of the contributing factors is inadequate funding.

A key issue is how the nation can move towards this goal of funding the full cost of research. As outlined in the UQ [discussion paper submission](#), an option we encourage the Accord Panel to consider, as a first step, is to **increase the funding for indirect costs of research through uncapping the Research Support Program (RSP), restricting it to Category 1 grants and setting a pre-determined rate per Category 1 dollar.**

Uncapping the RSP is a necessary step to allow the setting of a rate. This would provide budget stability to both the Australian Government and universities, such that increases to NCGP budgets would have a predictable impact on funding directed into, and distributed by, the RSP. It would also then encourage universities to set and collect the same indirect recovery rate for industry funded research (Category 3), and at the same time send a strong signal to industry on the cost of research.

Although the full economic cost of research is estimated to be about \$1.20 per \$1 of research income, UQ appreciates that a sudden increase to this level may not be feasible. Restricting the RSP to only Category 1 should enable an initial setting of the indirect cost rate to 50 cents for every \$1 of direct funding. Building on this idea, a bolder model would be to require other Australian Government departments supporting research to also be responsible for providing the 50 cents for every \$1 of direct funding they grant.

The National Collaborative Research Infrastructure Scheme (NCRIS) has been a powerful enabler of Australian research and innovation, providing critical capabilities for the national scientific effort. The Interim Report's **proposal to move NCRIS to sustainable, ongoing Australian Government funding is supported.**

In addition to stabilising and extending Australian Government funding for NCRIS there is a need for federal, state and territory governments to co-operate on a national NCRIS framework. UQ **proposes that the Australian Government work with relevant state and territory government departments to develop a national research infrastructure framework to support stability, collaboration and scale in sovereign research infrastructure.** The current NCRIS model requires institutions to negotiate co-funding with state/territory governments every five years, aligned with the National Research Infrastructure Roadmap. However, the Department of Education is moving towards phased funding, leading to overlapping cycles and challenges due to varying government budgets and priorities. This has strained relationships between universities, and federal, state and territory governments.

Strengthening university governance

University autonomy is crucial for driving responsiveness and innovation across the sector. While we agree that 'greater diversity and innovation in institutions is unlikely to emerge without proactive government intervention', we **do not support a more centrally controlled system.** Central controls require increasing regulatory burden which are costly, create distractions and can hinder universities from delivering on their core missions. Instead we encourage the Accord Panel to explore other policy levers to drive sector changes, which were identified in the Interim Report, including:

- improving the integration of higher education and VET to create new types of qualifications
- allowing different levels of teaching and research concentration across the sector, and encouraging higher education networks (several institutions work together to deliver comprehensive offerings), to create new types of institutions.

As outlined in the UQ [discussion paper submission](#), we are **supportive of an independent advisory body**, such as the proposed Tertiary Education Commission (TEC), but consider the following characteristics vital to its effectiveness:

- **Function as a research and advisory body only:** The remit of the TEC should be limited to delivering self-initiated and government-requested research and policy advice, with the aim of setting coherent policy levers across the whole tertiary sector. To avoid additional bureaucracy, it is important that the work of the TEC be clearly differentiated from that of the Department of Education and TEQSA. Operational activities such as managing Compacts and setting prices should remain the responsibility of the Department of Education, while TEQSA would continue to be responsible for standards and quality.
- **Independence with strong sector representation:** Independence enables the TEC to operate beyond the three-year political cycle and establish a long-term vision for the tertiary sector. The credibility of the TEC is dependent on the inclusion of commissioners with expertise in the tertiary sector, who are respected within the sector and government.