

Australian Universities Accord Interim Report

Flinders University submission

Acknowledgement of Country

Flinders University acknowledges the Traditional Owners and Custodians of the lands on which its campuses are located. These are the Traditional Lands of the Arrernte, Dagoman, First Nations of the South East, First Peoples of the River Murray & Mallee region, Jawoyn, Kaurna, Larrakia, Ngadjuri, Ngarrindjeri, Ramindjeri, Warumungu, Wardaman and Yolngu people.

We honour their Elders past, present and emerging.

Introduction

Flinders University welcomes the opportunity to respond to the Australian Universities Accord Interim Report.

Our response to the Accord Discussion Paper set out 12 recommendations for ambitious reform, recognising that tinkering at the edges will not deliver impactful outcomes for students, the sector and the nation.

This submission acknowledges that the intent of many of Flinders University's recommendations have been considered by the Accord Panel and picks up where we believe further deliberation should occur. It reaffirms our commitment to working collaboratively through the Review process to ensure the higher education sector continues to deliver a highly educated workforce that will enable the nation to compete strongly in the knowledge economy and tackle the many serious challenges we face.

As invited in the consultation process, this submission identifies three key reflections of the Accord Interim Report and highlights areas of substantive support and disagreement, with a particular emphasis on equity and research.

In relation to these and other matters, Flinders University has provided input to and endorses the submissions made by Universities Australia on behalf of the sector, and by the Innovative Research Universities (IRU) on behalf of our mission group.

1. There is further opportunity for Accord reforms to underpin a broader approach to 'equity'.

Evolving the mission of the higher education sector requires a holistic approach, one which recognises that equity is about more than the expansion of student places. It is about equity in access, experience, opportunity, and outcomes.

Beyond supporting equitable access to higher education, the Accord Panel is encouraged to consider how to apply the equity lens to student choice and attainment, to sustainable funding models, student contribution/loan schemes, and to the sustainability of the research mission of universities. Growing a high-quality, larger, and fairer system requires greater equity in each of these essential elements.

Taking a holistic view of equity in policy settings, and modelling their impact carefully, is essential to ensure that reforms avoid unintended consequences and maintain the strong international reputation for excellence that the Australian sector currently enjoys.

Equity of access and achievement

Flinders University welcomes the Accord's immediate actions to support equity of access. However, access is not the only factor to which the lens of equity should be applied. All students require support, in different ways, and some more than others. Fair and equitable access to education will only benefit the life prospects of Australians and their families if students are adequately supported during their time at university.

The Accord Panel is encouraged to consider policy reform and recommendations that adequately enable universities to fully support the needs of cohorts of students with diverse and individual challenges, ensuring that 'access' is not the end-point, but rather it is the attainment of potential and the future opportunities that 'access' unlocks.

Flinders supports the principle of an independent commission to oversee sector funds and monitor performance of the sector, but questions whether this will create yet another layer of bureaucracy for institutions. If a commission would reduce bureaucratic burden, then it enhances sector performance by releasing resources for core activities of teaching and research. If it adds further complexity then, in a resource constrained environment, it negatively impacts upon the student experience and sector performance.

Flinders welcomes the acknowledgement that increasing participation requires expansion of the higher education sector and would argue that the cost of this expansion must be adequately funded by government given that significant public benefits will accrue.

Further Commonwealth resourcing and commitments for student support must be co-designed with the higher education sector to meet the increased costs that support student experience activities beyond immediate classroom learning, including work-based placements, study support, cultural safety, and wellbeing. This is necessary for equity of achievement, not just equity of access.

Equitable funding models

Flinders University supports the principle of mission-based funding proposed in the Accord Interim Report and recognises that compact negotiation could be a function of an independent Tertiary Education Commission.

Funding models need to ensure they have no adverse impact or inequity issues. Flinders encourages the Accord to set funding principles that drive value in government investment, without increasing student contributions. An immediate role for the Tertiary Education Commission could be to review income financial support programs (including the HELP scheme) for students at all levels with a view to ensuring loans are equitable for the student and minimise cost of living barriers to education participation and attainment.

Flinders supports the Interim Report recommendation that there is an urgent need to train enough highly skilled researchers to support Australia's transition to a more knowledge intense economy. This highlights our contention that the equity lens must extend into research support in order to grow capacity in this critical domain. For example, funding for Higher Degree Research, which in general needs to be re-assessed and must include consideration of increased PhD stipend rates, should also consider further weightings for equity groups currently not identified in the funding formula.

More broadly, Flinders University agrees that mission-based compacts, if properly implemented (whether through a commission or the department), could enable a diversity of missions between institutions. This will only occur if there is greater flexibility in the funding levers/mechanisms to which we must respond. If universities are funded and rewarded against a common suite of performance metrics, then our universities will be driven to conform and will continue to look similar to one another.

It is not sufficient to rely on individual institutional compacts. Rather, the Accord must consider the underlying funding principles that drive conformity.

A five-year compact period may be appropriate in that it affords some degree of stability, but universities are dynamic institutions operating in dynamic environments. The detailed mechanisms must be driven by principles that create a system that is responsive to the specific nature, needs and opportunities in different jurisdictions, at different times, and must encourage competition across the sector.

Flinders University is strongly opposed to the proposal of an international student levy as a mechanism to increase funding in the system for research. The role that international students play in the Australian higher education sector should not be underestimated. Without international students Australia's universities would be significantly undermined. All students, domestic and international, should be treated equitably.

For universities to continue to be able to innovate, funding models need to be able to adapt to new offerings. As anticipated in the Accord Interim Report, Flinders University strongly encourages the Review to further consider how funding models and regulatory mechanisms can enable the expansion of flexible modular qualifications and programs in areas of workforce demand and reskilling.

Equitable access to research funding

Flinders University is opposed to the move towards teaching only 'universities', which would essentially be non-research tertiary education providers. Regulating such providers as universities would dilute the function of our institutions and weaken the reputation of the higher education sector. Achieving funding equity in the higher education sector must be pursued in a manner that maximises value of investment without undermining Australian universities' strong international reputation for quality teaching and research.

Flinders also encourages the Accord to avoid any proposals that limit access to research funding to only a portion of universities, for example allocating research funding through a Group of Eight (Go8) filter, as this would undo the remarkable contribution made by the non-Go8 universities in the growth in Australia's research outcomes in recent years.

The IRU Discussion Paper on research performance¹ highlights that almost half of all research funding and expenditure now occurs in non-Go8 universities. The Australian research landscape benefits from the diversity of research across our universities and this also benefits our students and our communities. Concentrating research in a small sub-set of institutions would conflict with the concept of equity of opportunity for students.

2. The Accord needs to drive ambitious reform of research funding.

Flinders University encourages the Accord Panel to channel its adopted symbol of the echidna to identify some 'spiky' ideas that drive ambitious reform to fix research funding. As well as underpinning advances in knowledge and productivity, research funding is inextricably linked to university rankings and reputation.

As reflected in the Interim Report, it is widely understood that the funding provided through the block grant mechanism does not cover the full cost of research. Newly released figures from the Australian Bureau of Statistics show the 14-year trend of declining investment in national research and development continues.

Equity of access to research funding does not mean that funding allocations should be made equally. Mission-based compacts can provide the opportunity to increase accountability and transparency for universities to demonstrate over time how they can turn financial investment in research into meaningful outcomes that must include the delivery of blue-skies research.

Flinders University acknowledges that the Accord has set out the issues and challenges in funding higher education research and translating that research into economic and social benefit. However, Flinders observes that beyond considering 'ways to support and maintain critical teaching and research infrastructure' these findings have not translated into proposals for the Review to consider for the Final Report.

The university sector is home to the majority of Australia's researchers and research capability. These vital assets should be supported by funding reform, career pathways and opportunities for early and mid-career researchers, and mechanisms that encourage innovative research collaborations with industry.

The ability of Flinders University and other intensive research institutions to achieve success and growth in research is due to using scarce resources efficiently. In forming its Final Report, the Accord Panel is encouraged to consider meaningful reform that addresses the ever-widening gap in research funding. Research funding has fallen to a low of 1.68% of GDP, as compared to an OECD average of 2.71%. Raising research block grants would be the most productive initial step in lifting the percentage of GDP committed to research.

Economic complexity cannot come from narrowing the allocation of research funding to only a select few universities, nor from a system which is set up to benefit those institutions who can leverage the limited pool of Commonwealth block-grant funding indirectly through the support of wealthier state governments.

One proposal for equitable research funding is to reallocate Commonwealth block grants so that they are attached to Commonwealth research grants (including Category 1) and higher degree researchers and fund them to a proportion of 50c in every dollar to support indirect research costs.

This would, in turn, require other funders (including state governments) to find ways to support indirect costs rather than leveraging block grant support.

Industry funded research collaborations with universities should be encouraged by government through a simple tax incentive scheme (see below), especially for SMEs, through which the Commonwealth contributes towards indirect costs.

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

The Accord could also consider recommending a whole-of-government approach to all research categories that seeks agreements from other funding sources to cover the indirect costs of research. At present, large injections of direct cost research schemes (e.g., Medical Research Future Fund) distort distribution of the fixed block-grant pot at the expense of research support across the system. This approach would provide a more robust model that recognises the need for diversity of interests and/or streams in research.

While rejecting a proposal of a levy on international student fee income, Flinders University also encourages the Review to consider establishing a specific fund to support infrastructure that brings together research and teaching in innovative spaces and precincts that meet local and national needs. The Interim Report notes that further examination is required, including co-investment from governments, public-private partnerships and leveraging university balance sheets. These considerations need to go well beyond providing sustainable, ongoing funding for the National Collaborative Research Infrastructure Strategy.

3. The Accord should build momentum in advancing research collaborations and partnerships.

First Nations collaboration

Flinders University supports consideration of a First Nations Higher Education Council and prioritising a self-determined approach to national funding and policy settings in relation to First Nations students, employment, teaching, research, and engagement.

Flinders particularly encourages the Review to give further policy consideration to enhancing research capability for First Nations knowledges and for collaboration and partnerships between First Nations communities, governments, universities, and industry.

The IRU has recommended that, as a starting point, the Australian Research Council be provided additional resources to establish new programs and to ensure that 5% of its total funding goes to Indigenous researchers to match the 5% target already set for the Medical Research Endowment Account.

In 2022, Flinders University established a First Nations Researcher Collective to provide a supportive network to share knowledge, foster collaboration, enhance opportunities, and build capacity for all Flinders researchers of Aboriginal and Torres Strait Islander backgrounds. The Collective is aligned with Flinders' Reconciliation Action Plan and will be linked to the Indigenous Research Strategy.

Industry partnerships

Flinders supports the focus of the Interim Report on policy areas that share and translate university research more effectively. However, we observe that the Accord is silent on reducing barriers to directly support industry to partner with universities.

Flinders University's submission to the Accord Discussion Paper highlighted an issue concerning the expectations of contributions from industry when the SME base of Australian industry is large. Many SMEs simply do not have the cash-flow to invest in research as they strive to become high-growth companies. Given the significant flow on effects to the Australian economy and society of research, government investment is needed, as well as less expectation that universities and partners financially contribute to industry-based research programs.

The Accord is an opportunity to correct this systemic distortion of research funding.

In this context, we also urge the Review to consider policy reform that addresses previous failures to implement proposals to reform research and development tax incentives that directly encourage industry to partner with universities and research organisations to undertake research.

Building an Accord – implementation

Flinders University supports the Interim Report's proposal that the process to implement an ambitious, enduring Accord should include a series of forums to address key challenges and embed collaboration with jurisdictions, communities, and the higher education sector.

More broadly, in the context that the removal of the 50% pass rule resulted in a significant amount of new administrative obligations for universities, Flinders encourages that any implementation led by the Accord Panel and/or a Tertiary Education Commission should be undertaken in a way that new policies and systems are co-designed in collaboration with the sector.

Flinders University would strongly urge that core recommendations on the future of the sector should be led by the Accord process for the sector to be able to gain a holistic understanding of the impact and opportunities that are envisaged, such that universities can properly respond to the final report. Deferral or delegation of key elements to further work by other bodies (e.g., a future commission), would preclude any meaningful analysis and would risk exposing the sector to unintended consequences.

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