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VICTORIAN
GOVERNMENT
RESPONSE TO THE
AUSTRALIAN
UNIVERSITIES ACCORD
INTERIM REPORT

OCTOBER 2023



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Victorian Government Response to the Australian Universities Accord Interim Report

Introduction

The Victorian Government acknowledges the extensive work of the Australian Universities Accord Panel (the Panel) in its preparation of the Interim Report (the Report) and welcomes the invitation to provide feedback.

This response to the key principles, priorities and ideas included in the Report builds on the Victorian Government's response to the Panel's earlier discussion paper. That response set out the Government's priorities and made recommendations for reform across a broad range of issues in the Australian higher education sector (see a summary at **Attachment 1**).

This response is also made in the context of Victorian Government engagement in intergovernmental matters across a range of related portfolios, including in relation to the Employment White Paper, negotiation of the National Skills Agreement and the Migration Review.

The Victorian Government supports in-principle many of the reform directions in the Report, noting that options will need to be carefully designed and developed by the Australian Government in collaboration with states and territories, to ensure their impacts are fully understood and that reforms deliver the outcomes required at both the national and local level.

Many of the Report's recommendations and ideas align with Victorian Government priorities for tertiary education reform. The Report also includes some significant ideas that will require further analysis and consultation. Areas of omission and potential disagreement have also been identified, including issues raising fiscal implications for Victoria, and these are discussed in this response.

Alignment with Victorian Government priorities

The problem definition and central organising principles at the core of the Interim Report, focusing on delivering a larger, more equitable and effective tertiary education system equipped to meet Australia's long term economic, environmental, demographic and social challenges, are strongly supported by the Victorian Government. The Report's focus on the most critical challenges facing the higher education sector, such as barriers to delivering new and responsive training solutions, integration with vocational education and training (VET), underrepresentation among disadvantaged cohorts, and an ineffective funding model, is appropriate and supported.

The Victorian Government particularly welcomes the following principles and ideas highlighted in the Report, which align with the State's reform priorities for tertiary education.

- i. Improved university governance and accountability, particularly focusing on the composition of governing bodies, improved student and staff safety, and universities being good employers and community leaders. The Victorian Government is pleased to be part of the interjurisdictional Working Group convened to develop an Action Plan to address critical governance issues.
- ii. Recognising First Peoples at the heart of Australia's higher education system and empowerment of First Nations people with a self-determined approach. This aligns with the Victorian Government's commitment to working collaboratively to understand the priorities and aspirations of Victorian Aboriginal communities and Victoria's Treaty process to negotiate the transfer of power and resources for First Peoples to control matters which impact their lives. Delivering course content in culturally safe and local settings, with tailored student support services, is also welcomed by the Victorian Government, acknowledging the inclusion of the Munarra Centre for Regional Excellence in Victoria as a case study in the Report.
- iii. A student-centred, needs-based funding model, supporting improved access to high-quality and relevant higher education for students from equity groups and underrepresented communities. Further, the Victorian Government welcomes the aim to develop the aspirations of potential students and encourage the self-belief to pursue further education. Some specific issues relating to equity cohorts are addressed in more detail below.
- iv. The shift to a more integrated tertiary system with higher education and VET connected is strongly supported, noting in particular recommendations for: improved pathways and partnerships; a national skills passport; an updated Australian Qualifications Framework (AQF) to better recognise skills and new qualification types; encouraging parity of esteem between the sectors; further extending Commonwealth Supported Places (CSPs) to the TAFE sector; creating new hybrid qualifications in areas of national priority;

and piloting self-accreditation of VET courses by dual sector higher education providers and selected TAFEs. The Victorian Government has committed to action on a number of these reforms through the Victorian Skills Plans 2022 and 2023, which could significantly reduce system fragmentation and improve pathways. Victoria is a model jurisdiction for experimentation on system change and welcomes further opportunities to test innovative models for achieving greater alignment and integration across the tertiary education sector. Opportunities for improved admissions processes in a more integrated postsecondary education system are discussed in more detail below.

- v. A commitment to lifting the quality and availability of work integrated learning (WIL), practical placements and earn-and-learn models, and the Commonwealth allocating funding to higher education placements in priority areas and reducing the financial barriers for students to access these opportunities. The Victorian Government has committed to undertake further work to better understand placement shortfalls, reduce barriers and advocate for alternative approaches where required.
- vi. A model for re-skilling and lifelong learning through modular, stackable accredited qualifications, potentially supported through a transportable 'national skills passport' to better recognise qualifications.
- vii. A commitment to improving workforce planning and understanding of future skills needs in collaboration with states and territories through Jobs and Skills Australia (JSA) and other agencies including mapping AQF qualifications across higher education and VET to projected employment outcomes. Opportunities for stronger alignment of Commonwealth Grant Scheme (CGS) funding and course delivery with national and state-based skills plans are discussed in more detail below.
- viii. Re-prioritising research to put funding on a sounder and more predictable footing, moving to a model that covers the full cost of undertaking research and supporting improved impact through greater industry involvement, translation and use.
- ix. Providing a high-quality university experience for international students and ensuring the integrity and accessibility of visa pathways for international students.

Issues of concern, omissions and areas of disagreement

There are several areas where the Victorian Government would expect to see further consideration and consultation, including areas that pose potential risks. These are summarised here and explored in further detail below.

- i. The principle of Commonwealth responsibility for funding higher education is a cornerstone of the Australian higher education system and the Victorian Government does not support additional state funding for higher education. It is incumbent upon the Commonwealth Government to identify the funding required to support the proposed uplift in participation in higher education, including the capacity of the sector to deliver this.
- ii. The Victorian Government recommends that, where the TAFE network acts as an access point to higher education, Commonwealth higher education subsidies for learners should be available.
- iii. The proposed introduction of a levy derived from international student fee income to provide a broader funding base for the higher education sector poses several risks and is not supported by the Victorian Government.
- iv. While the Victorian Government does not support the referral of its powers relating to universities to the Commonwealth Government, it welcomes further opportunities to improve system governance, including through the potential establishment of a Tertiary Education Commission (TEC) and better alignment between the Tertiary Education Quality and Standards Agency (TEQSA) and the Australian Skills Quality Authority (ASQA) as parallel regulators. The Victorian Government recommends that greater alignment of VET and higher education should be a priority for the proposed TEC and not a secondary stage of work as proposed in the Report.
- v. The Victorian Government urges the Commonwealth to consider opportunities for regional and metropolitan hubs and campuses to be co-located and co-supported by the Federal and State Governments, including with the potential to leverage the extensive network of Victorian TAFEs.
- vi. The Victorian Government recommends that any introduction of a Universal Learning Entitlement (ULE) should extend to students in the VET sector.
- vii. The Victorian Government recommends the Commonwealth Government lead a review of early offer practices in the context of national policies supporting senior secondary student transitions to post-secondary education.



Commonwealth responsibility for funding higher education

The Report notes that, to support the proposed expansion of the system, particularly to increase participation and attainment by underrepresented cohorts and to put research funding on a secure footing, a significant increase in funding will be required.

The Report explores alternative options for providing additional financial support for mandatory places for teaching and nursing students, paying the fees for these students upfront, and co-investing in infrastructure funding in universities, including funding from states and territories.

The principle of Commonwealth responsibility for funding higher education is a cornerstone of the Australian higher education system. The Victorian Government does not support reforms that could result in cost-shifting by the Commonwealth Government nor any funding reforms that may lead to the erosion of this core principle.

As such, it is incumbent upon the Commonwealth Government to identify the sources of the additional funding required to support the proposed uplift in participation in higher education, including the capacity of the sector to deliver this.

While the Victorian Government is supportive of the Review further considering financial support for priority cohorts, it does not support additional state funding. Victoria already invests significantly in student placements and support – recent investments include \$32 million in financial support for 11,000 pre-service teacher placements, and \$70 million for 1,200 registered undergraduate student nurse and midwife positions in 2022-23 and 2023-24. The Victorian Government has also invested in over 3,500 early childhood teaching scholarships over the last four years, and recently announced \$93.2 million in scholarships for any Victorians entering secondary school teaching degrees in 2024 or 2025. Other significant Victorian Government investments in the sector include the \$350 million Victorian Higher Education State Investment Fund (VHESIF), and support for university research and commercialisation facilitating partnerships between universities and industry. Any proposal involving a state or employer contribution would likely carry major budget impacts for Victoria, especially if expanded to other priority areas with mandatory placements such as allied health and social services.

The Report finds significant issues with the current funding model, in particular the Job-Ready Graduates (JRG) Package settings introduced in 2020, which led to many students with the lowest earning potential incurring the highest debts and anecdotal evidence of universities over enrolling students in low cost, non-priority courses. There is little evidence that the settings under the JRG influenced student choice as intended. The removal of the JRG's 50 per cent pass rule identified in the Interim Report as an immediate priority is particularly welcomed. The proposal to revise the framework for student contributions, consider changes to the HELP system, introduce targeted debt forgiveness and marginal repayments based on income are also welcome initiatives that will potentially result in more fairness and improve affordability and accessibility. However, there remains significant scope for further reform to the JRG settings. Guiding principles for higher education funding reform should include: promoting student enrolments aligned with current and future labour market demand; improving graduate outcomes; increasing participation and attainment, including among underrepresented cohorts; supporting lifelong learning in a dynamic labour market; and improving labour productivity over time.

With regard to the proposal for a universal learning entitlement similar to previous Commonwealth demand driven funding arrangements, more detail is required to understand what this would mean in practice. For instance, it is not clear whether the entitlement would extend to learning at AQF level 5 and above taking place in the VET sector and what the employer contribution to lifelong learning would entail, which may have additional costs for Victorian employers – including state government employers. The Victorian Government strongly recommends that, where the TAFE network acts as an access point to higher education, Commonwealth higher education subsidies for learners should be available. The Victorian Government notes that the Accord Panel will consider design and potential transitional arrangements further ahead of the Final Report and welcomes further consultation on these matters.

Levy on international student fee income

The proposal to potentially introduce a levy derived from international student fee income to provide a broader funding base for the higher education sector is strongly opposed by the Victorian Government. The Victorian Government is concerned that the introduction of such a measure would carry significant risks for this critical sector. In particular, such a levy would result in higher student fees (either directly or indirectly as universities attempt to recoup lost revenue) and impact Australia's international competitiveness and reputation, sending the wrong message to



prospective students and international partners by emphasising the commercial benefits of international education over its educational and soft diplomacy values.

International education is a significant contributor to Victoria's economy, comprising 44% of Victoria's services exports in 2022, generating \$8.4 billion in export revenue and contributing around 43,000 FTE jobs to the Victorian economy. There were approximately 114,300 Victorian international student commencements in 2022 and over 187,000 international students from around 160 countries studied in Victoria. Monash University and University of Melbourne combined generate 20 per cent of all international student fees in Australia and Victoria's share of enrolments nationally across all universities is around 30 per cent. Given the size and scale of Victoria's international education sector compared to the rest of the country, such a levy would disproportionately impact the State.

Higher education system governance reforms

The Victorian Government supports the current shared responsibilities for governance and regulation between the Commonwealth and the states and territories. While the Victorian Government does not support the referral of its powers relating to universities to the Commonwealth, it welcomes further opportunities to improve system governance, including through the potential establishment of a TEC and better alignment between the TEQSA and the ASQA as parallel regulators.

The Victorian Government has previously called upon the Commonwealth Government to establish formal and permanent roundtable forums for dialogue and shared decision making on higher education matters among Commonwealth, state and territory governments at the ministerial and senior official level. Given the Report's recommendations for improved connection and coordination between higher education and VET, a similarly joined-up approach to interjurisdictional engagement is also recommended, including regular engagement and coordination between the Commonwealth Ministers for Higher Education and Skills with state and territory counterparts, and active collaboration across relevant work-streams of the Universities Accord and national skills reform.

While the establishment of a TEC charged with promoting long-term strategic thinking, coordination and leadership across the tertiary education sector is supported in-principle, further detail is required on the scope, responsibilities, and composition of such a Commission. In particular, if the proposed Commission is to evolve over time to have a comprehensive remit to support alignment and collaboration across higher education and VET, a genuine parity between the two sectors will be required, driven by an understanding of the equally important contributions each sector makes towards skills formation, knowledge production and workforce development. The Victorian Government recommends that greater alignment of VET and higher education should be a priority for such a body and not a secondary stage of work as proposed in the Report.

A commission could potentially lead coordinated national reform to establish recognised pathways from VET to higher education, including standardised recognition of VET qualifications delivered in TAFE settings, and providing a framework for partnerships between universities and TAFEs to deliver stronger outcomes for all graduates.

Nationally networked TAFE Centres of Excellence, established through the proposed National Skills Agreement currently under negotiation, could be leveraged to support innovation and system change. Victoria is strongly placed to trial new approaches to integrated delivery of tertiary education, noting its strong track record with dual sector institutions.

The Victorian Skills Authority, in collaboration with key partners including other government agencies, is leading the development of Skills Labs. Skills Labs provide a mechanism to bring together VET and higher education to deliver innovative, system-wide responses to solve skilling and workforce challenges. Skills Labs will be delivered through lead TAFEs, and this may include TAFE Centres of Excellence.

Greater clarity regarding the role of Jobs and Skills Australia (JSA) and Jobs and Skills Councils (JSCs) in the national architecture is also required. These agencies have the potential to provide important labour market advice to guide priorities and decision making for higher education provision nationally, and at the state and regional level, as part of a more integrated tertiary education system.

Mechanisms for regular engagement with states and territories would also need to be designed into the national system architecture, including coordination across Commonwealth and State Government skills planning agencies to ensure alignment of education delivery with forecast workforce needs.

The Victorian Government agrees that governments should have a considered view on how the overall system is operating and whether the location, design and operation are meeting community needs, and has a strong

expectation that it will work closely with the proposed TEC and the Commonwealth Government on higher education system governance and implementation of the Accord.

Stronger alignment of CGS funding and course delivery with national and state-based skills plans

The Report highlights the key role of universities to meet Australia's future skills needs and includes discussion of potential improvements to national workforce planning, noting the role for Jobs and Skills Australia (JSA) and other agencies. It is critical that the education delivered by Victoria's universities aligns with the state's priority workforce needs. In particular, the state anticipates critical shortages of skilled workers in fields such as education, early childhood, nursing, social work, transport and infrastructure, information technology (IT) and the emerging needs of renewable energy transition and the clean economy.

The Victorian Government has previously advocated for state and territory governments to be systematically engaged in higher education and workforce planning and calls for a stronger and more formal alignment between CGS funding with state-based skills plans. Victoria values the strong collaboration established between the JSA and the Victorian Skills Authority and seeks to establish formal linkages in skills and workforce planning between the Commonwealth and States and Territories to better align education and training delivery to meet the State's skills priorities.

Extending Regional University Centres to suburban/metropolitan locations

The Report has recommended as an immediate priority the extension of place-based and community-led Tertiary Study Hubs to outer metropolitan and peri-urban areas based on the model of the Regional University Centres. The Victorian Government welcomes Minister Clare's announcement committing to implementing this recommendation. Improving access to facilities in under-serviced areas of our State has the potential to improve participation, retention and completion for students, especially those from underrepresented and low SES backgrounds.

As noted in the Report, it is important that hubs are based on the specific needs of local communities, operated on a non-competitive basis, and deliver tailored wraparound support to help students to succeed. The Victorian Government urges careful planning and coordination across federal, state and local government agencies to identify locations for new hubs that are currently under-serviced that could benefit from additional investment. Importantly, planning for the roll out of new hubs should aim to avoid duplication, manage the risk of long construction sector lead times and escalating materials costs, and build on the success of existing services and facilities. Existing data and insights could be leveraged to understand place-based industry and learner needs to inform investment. There may be opportunities for regional and metropolitan hubs and campuses to be co-located and co-supported by the Federal and State Governments and the potential to leverage the extensive network of Victoria's TAFEs should be explored. Indeed, the use of TAFEs as a trusted, publicly-funded site for Tertiary Study Hubs becomes even more attractive as they increase their own delivery of higher education.

Higher attainment and equity targets – challenges and risks

The Report describes the important role that tertiary education has to play in addressing the pressing economic, social, environmental, demographic and geopolitical issues confronting Australia in the coming decades. It notes that too few Australians are beginning and completing qualifications and recommends that new and more ambitious enrolment and equity targets are required. In particular, the Report estimates that, to achieve 55% higher education attainment, an additional 300,000 Commonwealth supported students would be needed in 2035 and an additional 900,000 Commonwealth supported students in 2050. A large share of this expansion will need to come from increased numbers of students from underrepresented cohorts to reach population parity, including First Nations students, low SES students and students from rural and regional Australia.

The Victorian Government supports higher targets aligned with projected skills needs and extending more opportunities for participation and attainment to underrepresented cohorts, however, the scale and speed of this expansion will present significant challenges and risks that will need to be carefully managed and resourced.

Any targets must be supported by appropriate Commonwealth funding and policies, which should be set in consultation with states and territories to ensure they reflect local needs and labour market demands. The Report recognises this and includes consideration of complementary reforms such as preparatory programs and extra Commonwealth funding to support underrepresented cohorts.

Further, the impacts on the VET sector of rapidly growing higher education participation will need careful consideration to ensure complementarity and coordination across the sectors and overall delivery of the breadth of

skilled workers that the Australian economy needs, including skilled technicians and tradespeople who are VET qualified. In some cases, it may be more appropriate that students new to postsecondary education are directed through VET pathways and pursue higher education at a later stage in their learning journey. There is evidence indicating that, in many cases, employment outcomes and average income levels are better for graduates from the VET sector than for higher education graduates.¹ The Victorian Government recommends establishing more partnerships between VET and higher education providers to enable seamless pathways to support skills development. Victoria has made significant steps in recent years to develop its VET sector into an advanced education model, making VET affordable, accessible and attractive through Free TAFE and other initiatives and encourages the Commonwealth to build on this success through initiatives to make higher education more accessible for students articulating through the VET pathway. The Victorian Government is progressing reforms to ensure VET delivery is more inclusive for underrepresented cohorts, particularly for women, Aboriginal Victorians and Victorians with disability.

The proposal for a ULE which ensures that all students from equity cohorts are eligible for a funded place at university is an attractive proposal, however, careful design and implementation is needed to ensure that the gains made in the VET sector are not unintentionally eroded through well intentioned reforms in higher education. A universal learning entitlement must also recognise the evolving drivers of student choice over a career, potentially accommodating a blend of higher education and vocational qualifications and stackable micro credentials. The Victorian Government recommends that any introduction of a ULE should also extend to students in the VET sector.

While the Report identifies First Peoples as being a priority of the higher education system, its discussion of the structural barriers facing First Peoples lacks depth. The Final Report could acknowledge that First Peoples continue to face barriers to education stemming and historical and ongoing institutional racism, and denial of language, culture and identity.

The Victorian Government also recommends that the Final Report should apply a gender lens to higher education policy and funding decisions, consistent with the *National Strategy to Achieve Gender Equality*. For example, there is evidence that feminised industries, including teaching, nursing and social work are particularly affected by unpaid work obligations through mandatory placements, with some degrees requiring up to four months of unpaid full-time hours to qualify.²

Improved admissions processes in an integrated system

The Accord provides an opportunity to improve coherence across the tertiary education sector through a common approach to tertiary admissions processes that include a more comprehensive presentation of options that includes VET through TAFE and other providers.

As noted in its earlier submission, the Victorian Government believes that Year 12 outcomes should be a key factor guiding university's undergraduate admissions decisions and the Government is concerned that some universities are admitting students based on in-school results or choices prior to completion of Year 12. University entrance requirements should be informed by the outcome of 13 years of schooling – including Year 12 – and unconditional prior offers that could undermine completion of, or achievement in, Year 12 should be actively discouraged. University admission processes are increasingly complex and variable with the introduction of a range of individual university admission processes to either accompany or replace ATAR, which carries significant risk.

The Victorian Government therefore recommends the Commonwealth Government lead a review of early offer practices in the context of national policies supporting senior secondary student transitions to post-secondary education.

The Accord should consider and make clear recommendations for nationally consistent admission practices, through the lens of the key principles of: transparency of application processes and decision making; equity of access; and foundations for success, including full participation and completion of year 12 to the best of student's ability in preparation for university studies.

¹ *The Accord equity target that cannot, and perhaps should not, be achieved*, Professor Andrew Norton, 21 Aug 2023, <https://andrewnorton.net.au/2023/08/21/the-accord-equity-target-that-cannot-and-perhaps-should-not-be-achieved/#more-9169> (accessed on 13/9/23)

² G Marchant, "Unpaid work placements stopping single mums from completing higher education, advocates say", ABC News, 2022, accessed 4 April 2023.

Attachment 1

Victorian Government submission in response to the Universities Accord Discussion Paper (May 2023)

The Victorian Government set out a comprehensive range of policy positions and reform priorities in relation to higher education in its submission to the Accord Panel in May 2023. This was prepared in response to the Panel's discussion paper in February 2023 and was informed by consultations conducted with internal and external stakeholders. The points raised in this response to the Accord Interim Report have drawn upon the policy positions and recommendations included in the earlier submission.

Priorities highlighted in the Victorian submission included:

- Ensuring the higher education system is aligned to meet the state's workforce priorities, delivering a world class student experience while producing the skilled graduates needed for Victoria's future workforce challenges.
- Improving connection and coherence across the tertiary education system – supporting a lifelong learning model where pathways between higher education and vocational education and training (VET) are the norm
- Improving access and participation in higher education among under-represented cohorts, unlocking the potential of all Victorians to contribute to civil society and the state's economy
- Research and innovation that translates into commercial outcomes leading to more jobs for Victorians, with universities acting as gateways for Australian (and Victorian) global engagement priorities
- Supporting global competitiveness, innovation, quality and inclusion in the international education sector, and
- Promoting universities as community anchor points in the precincts and suburbs of metropolitan Melbourne and in regional Victorian towns and cities.

The key enablers to support the delivery of these priorities include:

- Reform to higher education funding and the Job-Ready Graduates package to provide a sustainable model for the sector
- Commonwealth higher education data sharing to support timely and coordinated policy-making across a range of Victorian Government priorities, including workforce planning, research and development, and international education, and
- Reformed governance and regulatory responsibilities shared across Commonwealth and state and territory governments and delivering increased accountability among universities.

Recommendations set out in the submission supporting these priorities were:

Theme 1: Quality teaching and delivering quality learning

Recommendation 1: That the Commonwealth considers policy, funding and regulatory reforms in higher education that address the Victorian Government's concerns about quality, including:

- a. Employment of highly skilled, ongoing teaching staff.
- b. Effective and efficient provision of teaching resources.
- c. More flexible and modular approaches to higher education and a better-connected post-secondary system.
- d. Encouraging greater participation and diversity in science, technology, engineering and mathematics (STEM)-related higher education courses.
- e. Improving graduate outcomes including career readiness for local and international students.
- f. Implementing a data sharing agreement with states and territories that provides real-time data and recognises the genuine role both levels of government play in managing the university sector.

Theme 2: Meeting Australia's knowledge and skills needs

Recommendation 2.1: That the Commonwealth Government considers policy, funding and regulatory reform to better align Commonwealth Grant Scheme (CGS) funding and other higher education policy settings to the workforce priorities of states and territories, including:

- a. Improved coordination between Commonwealth and state and territory governments, through Jobs and Skills Australia (JSA) and other relevant bodies, on national workforce planning and decisions about funding for teaching and learning at our universities.
- b. Alignment of CGS funding models and course delivery with national and state-based skills plans.
- c. Regular reporting and data sharing to monitor progress towards achieving agreed targets to all levels of government.

Recommendation 2.2: That the Commonwealth Government considers policy, funding and regulatory reform to better support the use of work-integrated learning (WIL), practical placements and earn and learn models in higher education, including:

- a. Arrangements for financial support and more equitable access for students undertaking WIL and other forms of practical experience.
- b. Incentives and supports for increased industry participation in WIL.
- c. Encouraging new placement delivery modes, including through virtual learning opportunities and simulation technology.

Recommendation 2.3: That the Commonwealth Government considers policy, funding and regulatory reform to support the development of national models for higher apprenticeships and degree apprenticeships coordinated across vocational education and training (VET) and higher education sectors, including:

- a. Reform of the Australian Qualifications Framework (AQF) that supports higher and degree apprenticeships qualification pathways.
- b. Working with state and territory governments to develop a cohesive national strategy and policy architecture for higher and degree apprenticeships across Australia.
- c. Reviewing qualification attainment arrangements to better recognise learning and completion of the practical course components of higher and degree apprenticeships through employment arrangements.

Recommendation 2.4: That the Commonwealth Government expedite the review of the National Microcredentials Framework and engage with state and territory governments, industry and the education sector to assess and refine the Framework.

Theme 3: Connections between the VET and higher education systems

Recommendation 3: That the Commonwealth Government considers policy, funding and regulatory reform to better support connections between the VET and higher education sectors, including:

- a. Supporting careers advice, including through the admissions process, for students in the two sectors to promote advantageous pathways between them.
- b. Further integrating and centralising VET and higher education admissions processes to support a more holistic experience for students transitioning to post-secondary education.
- c. Broadening and streamlining credit recognition within and between VET and higher education courses in line with the findings of the AQF Review in 2019.
- d. Through the new National Skills Agreement (NSA) and through the Universities Accord, supporting greater two-directional pathways between the VET and higher education systems.
- e. Continuing to work with state and territory governments on national skills reform that places TAFEs at the centre of the VET system.
- f. Introducing Provider Category Standards in the VET sector, distinguishing the role of TAFE as the public VET provider to mirror (in the VET sector) the role of universities as the public higher education provider.
- g. Delivering parity of income-contingent loans for students in the two sectors.

Theme 4: A system that delivers new knowledge, innovation and capability

Recommendation 4: That the Commonwealth Government considers reform initiatives in the national research system, including:

- a. Improved access for industry stakeholders and state and territory governments to shared and collaborative advanced research technologies through the National Collaborative Research Infrastructure Strategy (NCRIS) and Medical Research Future Fund (MRFF) programs.
- b. Adjustments to funding streams to improve incentives for translation and commercialisation.
- c. Industrial and innovation policy models that support stakeholders to tackle the 'grand challenges' facing modern societies - i.e. mission-guided entrepreneurial self-discovery.
- d. Improved support for regional universities to undertake nationally significant research, including encouraging metro-headquartered universities to stimulate more research activity and income at regional campuses.
- e. Increased support for early-career researchers to undertake industry-based placements and other professional development to build capacity for research translation and expand other financial support for the sustainability of researchers' careers.

Theme 5: Creating opportunity for all Australians

Recommendation 5.1: That the Commonwealth Government works with state and territory governments to establish agreed targets for participation and completion of higher education among under-represented cohorts.

Recommendation 5.2: That the Commonwealth Government considers policy, funding and regulatory reform that addresses the Victorian Government's priorities to increase access and participation in higher education among under-represented cohorts including:

- a. Improved alignment and coordination with comparable Victorian Government programs and policies supporting under-represented cohorts.
- b. Increased culturally appropriate and cohort specific supports to enable students to successfully complete studies leading to employment and/or further education outcomes.
- c. Review the Jobs-Ready Graduates (JRG) rules relating to low completion rates that disadvantage students from under-represented cohorts.
- d. Consider expanding the eligibility criteria for Commonwealth Supported Places (CSP) and Higher Education Loan Program (HELP) funding for all persons currently residing in Australia who have applied for a protection or a humanitarian visa in Australia and those already granted with a protection or humanitarian visa who are not prohibited from studying.
- e. Adding young people presenting with an out of home care experience as an additional category under the Higher Education Participation and Partnerships Program (HEPPP) to ensure universities can apply for targeted funding to support this specific cohort of vulnerable students.

Theme 6: Governance, accountability and community

Recommendation 6.1

- a. That the Commonwealth Government establish, through the Australian Universities Accord, formal and permanent roundtable forums for dialogue and shared decision making on higher education matters among Commonwealth, state and territory governments at the ministerial and senior official level.
- b. That the Commonwealth Minister for Education and the Commonwealth Minister for Skills and Training with their state and territory counterparts, actively connect work on the Universities Accord and the National Skills Agreement.

Recommendation 6.2: That the Commonwealth Government continues to work with state and territory governments to support the transition to more secure employment practices in the university sector including:

- a. Alignment of relevant state and federal industrial laws.
- b. Improved higher education workforce data sharing.

Recommendation 6.3: That the Commonwealth Government coordinates closely with state and territory governments in long term integrated planning for the provision of transport and other services to support the future growth of university campuses aligned with local plans in urban precincts and regions.

Theme 7: Quality and sustainability

Recommendation 7: That the Commonwealth Government:

- a. In consultation with state and territory governments, reviews universities' early offer practices in the context of national policies supporting senior secondary student transitions to post-secondary education.
- b. Continues to lead reform to promoting the safety of staff and students on campus and online.
- c. Strengthens the role of the Tertiary Education Quality and Standards Agency (TEQSA) to investigate the use of online program management companies (OPMs) by Australian universities to ensure courses delivered by OPMs meet the same quality standards as other higher education courses delivered by universities.

Theme 8: The role of international education

Recommendation 8.1: That the Commonwealth Government improves data sharing, including jurisdictional-level data, with state and territory governments, with a focus on data that facilitates a greater understanding of online and offshore international education service delivery, and onshore trends, patterns, growth and declines.

Recommendation 8.2: That the Commonwealth Government:

- a. Streamlines Temporary Graduate Visa (TGV) settings to introduce efficiency and simplicity to current policy settings, making Australia's TGV offering more attractive to global talent.
- b. Improves the effectiveness and impact of the Second TGV stream for regional settings by relaxing eligibility so that graduates only need live in a regional area for their studies or first TGV, rather than both.

Recommendation 8.3: That the Commonwealth Government reviews the Genuine Temporary Entry (GTE) requirement and replaces it with a simpler test removing intention to stay temporarily as a measure of whether an international student is genuine.

Theme 9: Investment and affordability

Recommendation 9: That the Commonwealth Government:

- a. Reviews student contribution levels as a priority considering the financial burden on students and efficient delivery cost.
- b. Reviews the Commonwealth Grant Scheme to meet future demand in priority sectors.
- c. Retains equity funding under the JRG Package settings and considers expanding to additional underrepresented cohorts to improve access and participation.
- d. Reviews the performance-based funding model and considers alternative financial rewards to drive graduate and industry outcomes.
- e. Reviews current funding arrangements to clinical placements to support additional growth in placement capacity.