

15/02/2019

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To whom it may concern,

The Australian Technology Network of Universities (ATN) would like to thank the Department for the opportunity to comment on the “Consultation on the reallocation of Commonwealth supported places for enabling, sub-bachelor and postgraduate courses”.

The ATN is a national collaborative group of four major Australian universities: University of Technology Sydney, RMIT University, University of South Australia and Curtin University. The ATN firmly believes that a sustainable, accessible, quality education and research system are core to Australia’s long-term prosperity and societal wellbeing. Key to this system is fairness, opportunity and transparency both for students and providers.

The current allocation of Commonwealth Supported Places is opaque, especially at the postgraduate level. The ATN has long advocated for the allocation of Commonwealth Supported Places to be changed to enable greater transparency. Therefore, the ATN is supportive of the reallocation of Commonwealth Supported Places at the enabling, sub-bachelor and postgraduate level.

The ATN response to the consultation paper will focus on the method for allocation/reallocation of places, the frequency of reallocation and potential other methods for reallocation of places.

### **Allocation of places**

The ATN wishes to note that regardless of any changes to the allocation of places at the enabling, sub-bachelor or postgraduate level the ATN is supportive of ensuring that there are adequate transitional arrangements in place. Sudden changes in the allocation of Commonwealth Supported Places has the potential to create unnecessary shocks to universities and the communities in which they operate. The ATN believes that any current Commonwealth Supported students should be grandfathered through to completion of their studies. These transitional arrangements will provide much needed certainty for both students and providers.

While the ATN is supportive of the reallocation of Commonwealth Supported Places at the enabling, sub-bachelor and postgraduate level, the ATN does not support a geographical representation to be a consideration in the distribution of places. The distribution differences in sub-bachelor and postgraduate commonwealth supported places are a product of the social and economic context in which each university operates. Universities, particularly with sub-bachelor loads, respond to their

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unique education and socio-economic environments. This is further complicated by some universities repurposing places to meet the demand for particular offerings. At the sub-bachelor level, by accounting for demonstrated need and demand, geographical differences will be captured in the reallocation criteria.

The ATN does not support the five per cent reduction of places for reallocation proposed in the consultation paper. A flat reduction does not consider the differing use and levels of institutional flexibility between enabling, sub-bachelor and postgraduate places. For example, access to fee-based places for postgraduate courses enables each provider to better manage any change in reallocation compared with the Commonwealth Supported Place requirements of sub-bachelor places where there are no fees.

### **Frequency of reallocation**

The ATN believes that the allocation and or reallocation of places should align with the Funding Agreement cycle. This would allow opportunity for negotiation to occur between the Government and institutions and most importantly would not lock out institutions from allocations. The Funding Agreement cycle allows enough time for institutions to respond to the circumstances impacting the communities in which they operate and ensures that institutions have funding security. It should be noted that the ATN is supportive of any reallocation process being gradually rolled out to the sector so not to cause sudden undue hardship to providers and their communities.

### **Other methods of allocating places**

One commonly discussed methodology for sub-bachelor and enabling allocations is including these in the Demand Drive System. In other broader tertiary settings where a bachelor level Demand Driven System exists, one could argue that demand driven sub-bachelor and enabling funding is an ideal solution to the reallocation of places. While the ATN would be supportive of such an idea, in the current operating environment for universities, without a demand driven system for bachelor level courses, such a move would create an environment with perverse incentives. The rationale for demand driven enabling and sub-bachelor remains much the same as it does when it was recommended in the Kemp Norton Review of the Demand Driven System report released in 2014. It should be noted that the arguments against such a system also remain. The ATN would be more than happy to discuss how a demand driven sub-bachelor and enabling system could work within the confines of a restored demand driven funding model for bachelor courses. Similarly more thinking is required for improving the currently crippled allocation of postgraduates place. For example, a student-centred allocation system in postgraduate would be aligned with the principles of the demand driven system and student flexibility. It would also support innovation in the sector and align postgraduate education with the future of work. Such a system would be transparent, equitable, allow government to only fund courses of national priority and these priorities to change appropriately over time.

Finally, perhaps consideration could be given for universities to allocate their Commonwealth Grants Scheme allocation with increased freedom. In the current operating environment, where universities are only receiving the Maximum Basic Grant Amount from 2017, the Commonwealth Grants Scheme is essentially a funding envelop. Allowing universities to spend the funds they receive in a way that is consistent with their mission would enable universities to offer Commonwealth Supported places to

a number of students at differing levels of study as needed. This would enable universities to best meet the needs of their communities, offering the appropriate course where needed to meet student and industry need.

In conclusion the ATN supports the reallocation of Commonwealth Supported Places for enabling, sub-bachelor and postgraduate courses, however more work needs to be done in thinking through the reforms and designing the model to ensure a transparent, equitable and sustainable system, that meets the nation's needs in priority and skills shortage.

Please do not hesitate to contact the ATN Directorate on (02) 5105 6740 or via e-mail at [info@atn.edu.au](mailto:info@atn.edu.au) to discuss any elements of the submission further.

Yours sincerely,

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