

15 February 2019

Mr Dom English  
Group Manager  
Department of Education and Training  
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CANBERRA ACT 2601

Email: [CGS@education.gov.au](mailto:CGS@education.gov.au)

Dear Mr English

Swinburne University of Technology welcomes the opportunity to submit a response to the Australian Government's Consultation Paper on the reallocation of Commonwealth supported places for enabling, sub-bachelor and postgraduate courses.

Swinburne commends the Government's commitment to a world-class higher education system that provides appropriate support for students and removes barriers for under-represented groups. Swinburne further concurs that Government investment in designated enabling, sub-bachelor and postgraduate Commonwealth Supported Places must be directed to courses that meet the needs of students and deliver graduates for Australia's changing workforce.

### **Background**

Swinburne, like many providers, has experienced student demand for sub-bachelor enrolments that has far exceeded our CSP allocation in recent years. In 2018 students studying with Swinburne accessed CSP funding for over 600 EFTSL sub-bachelor places, while our current allocation of designated undergraduate places is 260 EFTSL. Further, we have calculated that a minimum cap of 1,100 EFTSL would be needed to meet the current demand of students who could and should be studying with us at the sub-bachelor level. Swinburne is aware that there are universities currently in possession of designated undergraduate places which are significantly surplus to demand, in some instances several hundred places. While Swinburne supports a reallocation of sorts, we favour a mechanism more closely tied to actual demand at universities.



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### ***Extending the demand-driven system to sub-bachelor CSPs***

Prior to the effective freeze of the demand-driven funding system of undergraduate students in December 2017, Swinburne strongly supported the current Coalition Government's intent to legislate the extension of the demand-driven system to sub-bachelor enrolments at public universities.

As noted in submissions and correspondence at the time, we believe in the importance of diverse entry pathways for students to access higher education, and such a proposal would help a greater number of students experiencing educational disadvantage to access the opportunities a higher education provides.

For Swinburne, the opportunity to offer greater sub-bachelor places would help us to improve the academic skills and preparedness of students to undertake a Bachelor level qualification. Sub-bachelor study is also an attractive entry point for students who are returning to study after a long absence, and may wish to test the practicality of fitting study commitments into their lives, as Swinburne observed in our submission to the Australian Government's Review of the Demand Driven System in 2013.<sup>1</sup>

As noted in the 2014 Review of the Demand Driven System, the discretionary allocation of CSPs by government undermines competition, student choice and suppresses market potential.<sup>2</sup> In a submission to the Government's 2016 higher education policy options paper, the Group of Eight universities noted that while student participation in sub-bachelor degrees has grown substantially as a result of the demand driven system, sub-degree programs had not been able to keep up with the needs of the economy.<sup>3</sup>

### ***Aligning funding with the needs of the future workforce***

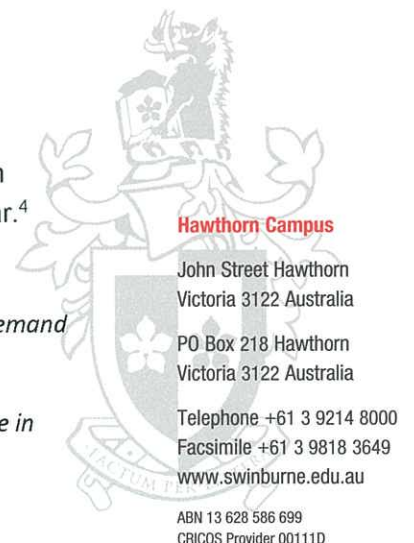
Swinburne supports the Government's intent to better correlate the allocation and utilisation of designated places at all levels, and we are most pleased by the identification of Industry 4.0 capabilities as being essential to the future Australian workforce in the discussion paper. Central to Swinburne's ethos is embedding employability into all of our undergraduate offerings, and it is this focus which has led to our Industry 4.0 higher education Diploma (developed in partnership with Siemens and AIG) to be hailed by Government as an exemplar.<sup>4</sup>

<sup>1</sup> *Swinburne University of Technology, Swinburne's Submission to the Review of the Demand Driven System, 2013*

<sup>2</sup> *Kemp and Norton, Review of the Demand Driven Funding System, 2014*

<sup>3</sup> *Group of Eight Universities, Submission to Driving Innovation, Fairness and Excellence in Australian Higher Education, 2016*

<sup>4</sup> *Minister Karen Andrews, 2018*



Further, despite a demonstrated need for enabling places to support Mathslink and other programs at Swinburne, we remain locked out of access to these important places which are funded to a surplus level at other universities.

### ***Correcting for regional imbalances***

Swinburne is alarmed by Chart 6 of the consultation paper, which clearly demonstrates that Victoria receives the least sub-bachelor CSPs per 1,000 head of population of any state.<sup>5</sup> While we do not contend that a crude geographical redistribution be implemented to address this, we believe that the creation of any contestable pool of designated places must give regard to regions which are already worse off. Therefore, Swinburne submits that Victorian providers with current full utilisation of their sub-bachelor CSPs should not be required to place any of their places at risk in any contestable pool. Similarly, any imbalances which occur at the sub-bachelor or postgraduate level between other states should be accounted for and corrected in the design of any contestable pool.

### ***Timing of reallocations and minimum viable allocation size***

The two timing options for reallocation outlined in the paper both present issues. Annual reallocations, while providing flexibility, would erode universities' ability to plan and adjust offerings in line with future load projections. However, tying reallocation to multi-year funding agreements as is current practice provides no capacity for real time responsiveness. Swinburne therefore reasserts that a demand-driven system for designated places (with certain caveats built in to police undesired or otherwise anomalous growth) be devised and tested by the Department.

We further submit that current utilisation, specifically the greater of either designated places delivered or currently funded, be considered the minimum viable allocations at each university going forward.

Thank you for your consideration of this submission. I would be pleased to discuss these matters further at any time.

Yours sincerely

  
Professor Duncan Bentley  
Deputy Vice-Chancellor (Academic)  
Swinburne University of Technology

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<sup>5</sup> Department of Education, 2018