

15 February 2019

Office of the Deputy Vice-  
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Dear Mr English,

**Consultation on the reallocation of Commonwealth supported places for enabling, sub-bachelor and postgraduate courses**

The University of Queensland (UQ) welcomes the opportunity to provide feedback on the proposed reallocation of non-medical designated Commonwealth supported places.

The current system for allocating Commonwealth support is inconsistent, lacks transparency and hinders those providers seeking to respond quickly to the rapidly changing educational needs of students and employers. The University of Queensland therefore supports reforms in this area which better reflect the current environment.

In responding to this paper, enabling, sub-bachelor, and postgraduate coursework education have been addressed separately reflecting the distinct purpose, value and market for each of these types of programs.

**Enabling**

**Given that the purpose of an enabling course is to provide a pathway to further study, the University of Queensland agrees that the allocation of enabling places should consider rates of progression to further study, student demand and the profile in relation to students from under-represented groups. We do not agree that the use of innovative teaching models should be a key criteria unless it can be demonstrated that the innovation will improve educational outcomes for students in the program.**

The *existing utilization of places* provides a starting point for assessing demand but it does not tell the whole story. The extent to which a university has over or under-enrolled may partly reflect demand but is also a factor of compliance with existing allocations, strategic enrolment decisions, and the capacity to shift load between enabling and sub-bachelor allocations. Alternative measures using application data should also be considered. However, it would be reasonable to require that a provider fully utilize their existing allocation before further places were made available.

We agree that it is appropriate to consider *student progression to further tertiary study* when allocating additional places and application of this criteria would mitigate against providers filling places with students just to maintain their allocation. However, the assessment of transition rates should consider the specific context of each course. Factors that may impact on a transition rate include the profile of the cohort and how university admissions standards are applied to the program. For example, do the students need to competitively apply for further tertiary study or are they given a guaranteed entry pathway?

We also agree that allocations should consider the *profile of commencing students* and the extent to which the course attracts and supports students from under-represented groups. Such analysis must consider the institution's catchment area.

### **Sub-bachelor**

**The consultation paper proposes that current framework for sub-bachelor funding remains unchanged, albeit with adjusted criteria. The University of Queensland would like to propose an alternative approach whereby sub-bachelor programs are reclassified as non-designated courses of study, with a commensurate adjustment to the maximum basic grant amount for each institution.**

The value of sub-bachelor courses lies in their flexibility as concurrent, preparatory or stand-alone qualifications. Sub-bachelor courses provide:

- a meaningful pathway qualification for applicants above enabling standard, but still underprepared for a bachelor's degree;
- a qualification for those students who need post-secondary academic knowledge and skills, but do not require a full undergraduate degree;
- a mechanism for students to gain or extend specific disciplinary knowledge which is not included within their primary undergraduate degree (essentially no different to a student enrolled in a bachelor's double degree);
- a mechanism for students who already have a degree to "upskill" in a faster and most cost-effective way than via a bachelors or post-graduate qualification.

At UQ, the Associate Degree in Business operates as a pathway into bachelor's level study but also operates as a stand-alone qualification for students who wish to do some university level study without committing to a full three to four year degree. The Diploma of Languages allows current bachelor's students to extend their studies outside their core discipline, while the Diploma of Science provides qualified teachers with an opportunity to gain the skills required to move into teaching science or mathematics. We would argue that these programs are all beneficial for different, but equally valid, reasons.

As acknowledged in the consultation paper, when a decision was made to exclude sub-bachelor courses from demand driven funding it created some distortions in the higher education system. Universities were encouraged to funnel students straight into bachelor's programs when, in some cases, a sub-bachelor diploma or associate degree may have been more suitable. There was limited opportunity to provide these students with preparatory or shorter options for study.

Additionally, in the case of concurrent or post-graduation diplomas (e.g. UQ's Diploma of Science), students sitting in the same classes are currently funded under different arrangements. Dual degrees of 5 to 6 year duration are currently uncapped but opportunities are constrained for a student to enrol in a single three year degree with a concurrent one year diploma. This kind of inconsistency should be avoided.

Under current legislation, universities are prevented from charging fees for sub-bachelor qualifications, so Commonwealth support is essential if these offerings are to be fully and effectively utilized. With the introduction of a funding cap for bachelor's load from 2018, the potential for unreasonable growth in sub-bachelor programs is negated if they are treated the same as non-designated load.

Classifying sub-bachelor courses as non-designated would have the following benefits:

- Universities would be able to transition more students through preparatory programs, with credit arrangements, rather than admitting them directly into bachelor's degrees.
- Students would have greater options to complete shorter programs where it is more suitable to their career goals.
- If universities are able to expand their sub-bachelor offerings they can provide an exit qualification for any students who are unable to complete a degree for academic or personal reasons. Currently, these students exit without any qualification. Sub-bachelor awards can provide both recognition of what they have achieved and a return on the Commonwealth support already invested.
- The inconsistency in funding arrangements for concurrent diplomas vs dual degrees would be addressed.
- Universities would have greater flexibility to quickly adjust offerings to meet the specific tertiary educational needs of students in their region and workforce needs of employers.

Should the Government continue with a capped funding arrangement for sub-bachelors courses we would argue that the criteria for the reallocation of places should recognise the diverse value in how sub-bachelor places are currently used. The criteria listed in the consultation paper are reasonable and we are pleased to see an intention to allow for concurrent diplomas. However, the criteria should not all be mandatory and they need to be weighed up against the specific purpose of the course. Having said that, it is appropriate that no sub-bachelor course should duplicate a course being funded in the VET sector. This criteria should apply regardless of whether the funding remains capped or is transferred to non-designated load.



### **Postgraduate Coursework**

**The allocation of Postgraduate coursework load should encourage an agile and innovative sector capable of responding to emerging industry needs as well as provide an effective framework to ensure Australia maintains an appropriately skilled workforce. The University of Queensland also believes that program approval should be decoupled from load/funding allocations.**

Postgraduate coursework programs are an efficient way to deliver professional qualifications and to adapt the existing workforce to the changing needs of society and emerging industries. The allocation of Commonwealth support must encourage an agile and responsive system which enables Australia to capitalise on opportunities.

A key element in achieving this is the decoupling of program approvals from the overall funding envelope for each institution. Funding allocation should occur as part of the triennial funding agreement negotiations, but there should be regular formal opportunities for universities to obtain approval for specific programs. Universities would then cover those programs within their previously agreed allocation. This would enable the timely development of new programs and review of existing offerings, but still maintain budgetary stability throughout the term of each funding agreement. Universities have the capacity to quickly develop new courses to meet industry and student needs, but we are constrained when the funding and approval arrangements are uncertain.

The approval of postgraduate programs to receive Commonwealth support should reflect two primary drivers: professional requirements, and national significance.

- **Postgraduate programs for professional requirements or to deliver community benefit**

The approval of these programs should be based on the requirements of relevant professional registration bodies, and should be maintained on a national register, independent of any higher education provider.

- **Postgraduate programs of national significance**

These programs should be those which deliver 'significant community benefit where private benefits might be more limited<sup>1</sup>', or which meet emerging or forecast workforce shortages or knowledge deficits. In defining fields of national significance, postgraduate coursework offerings which support the Medium and Long-term Strategic Skills List Australia and the Short-term Skilled Occupation List would be more appropriate than those listed on the Department of Jobs and Small Business Skills Shortages List as they take a longer term, strategic workforce view and are fields where workforce demand outstrips supply, indicating a training deficit.

While the principle of approving programs which offer the 'shortest possible pathway to a professional qualification<sup>2</sup>' is appropriate, articulation through a suite of postgraduate programs (eg Grad Cert leading to a Diploma leading to a Masters) should still be supported, particularly as new industries mature.

Program approval processes should also be regular and transparent. Current approval is obtained on an ad-hoc basis which has created inconsistency in which programs are given approval. A formal submission process (annually or six monthly) would ensure that programs are judged against the criteria in a more systematic way. It would also provide the Department with a clearer picture of trends in post-graduate education.

A more systematic approval process, coupled with proposed criteria for allocation, may also allow for the current, unaligned process of seeking registration of postgraduate programs for Study Assistance, to become a single transaction between institutions and the Government. The societal objectives of allocation of places and registration for Study Assistance could converge and the approval of places for a

<sup>1</sup> <https://www.education.gov.au/consultation-paper-reallocation-commonwealth-supported-places-enabling-sub-bachelor-and-postgraduate>, p 14.

<sup>2</sup> Ibid, p14.



program could automatically determine eligibility for Study Assistance, providing the necessary tuition and income support to achieve these objectives.

The allocation of places/funding should consider the overall size of the University, reflecting the size of the undergraduate student population together with the utilization of existing designated allocations. Since the introduction of uncapped load in 2012, the overall size of each institution is driven by a combination of population and demand, and it would be appropriate to allocate Commonwealth support for postgraduate coursework along the same lines.

To support the decoupling of program approval with funding allocation, we propose that funding is allocated via a funding envelope for each institution rather than the allocation of load across clusters. This follows the principle of the maximum basic grant amount (MBGA) for bachelor's load. This would enable institutions to make annual adjustments to load across clusters within the relevant funding envelope (enabling/PGCW) and thereby rapidly realign their programs to changing industry and community needs without constantly re-negotiating cluster allocations. This is particularly important in an environment where innovative new programs might be 'scaling up' while older programs are being phased out, and learner needs are changing rapidly.

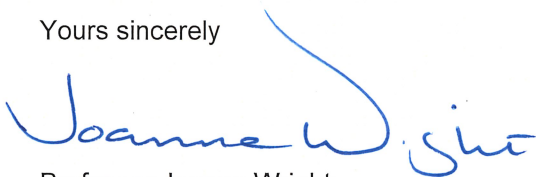
### **Transitional Arrangements**

The University is supportive of a transitional reallocation of both enabling and postgraduate coursework commonwealth support and believes that between 5% and 10% of the annual commencing load/funding being withheld for this purpose is an appropriate amount.

In the case of sub-bachelor funding, under our proposal for a non-designated classification an appropriate transfer arrangement may be to add the value of each university's utilised load to the MBGA. Any funding left over could then be reallocated based on the criteria proposed in the consultation paper.

Thank you for the opportunity to provide feedback on this matter; I hope the review will result in a more transparent and equitable means of allocating designated load and funding nationally.

Yours sincerely



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**Deputy Vice-Chancellor (Academic)**

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