

15 December 2022

Professor Mary O'Kane AC
Chair
Australian Universities Accord Panel

Dear Chair and Panel

Re: Australian Universities Accord

Thank you for the opportunity to comment on priorities within the Terms of Reference.

We believe it is essential for the tertiary education sector in Australia to operate as a system capable of recognising and responding to place-based difference – understanding that geographical distance, dispersed populations, thin markets and economies of scale matter¹.

Working through ways to define and operationalise the concept of 'regionality'² will be important. The history and future of northern Queensland and James Cook University are intimately intertwined – our challenges are shared, and opportunities can only be realised together. Place matters for all universities, but for some it is defining.

- Our place defines our areas of research focus and excellence: Indigenous leadership and stewardship, the reef and coastlines, rainforest and terrestrial systems, tropical infectious diseases, rural and remote health systems, cyclones and disaster preparedness, critical minerals, aqua and agriculture.
- Our place defines our resourceful and resilient students: many first-in-family, many non-school leavers, many low-ses, many carers.
- Our place defines opportunities to enable sustainable development through strong place-based community-led leadership and governance in Northern Australia, with our close neighbours in the Asia Pacific, and across the Tropics.
- Our place defines our costs: a distributed estate, the digital divide, pastoral care, community engagement, and fixed operating requirements.

¹ Minister for Resources and Northern Australia, the Hon Madeline King MP, [2022 Annual Statement to the Parliament on Developing Northern Australia](#). 22 November 2022, p. 5.

"The people of Northern Australia are as remarkable and as resilient as the landscape and environment in which they live. It is a region that presents significant challenges for policymakers. Among them are vast distances, a dispersed population, thin markets and economies of scale that don't always lend themselves to traditional modelling. Significant and sometimes unique challenges require policy responses that are thoughtful and fit for purpose. Responses that might work well in other regions of Australia will not necessarily be the best fit for the north. While the north might be challenging, it also presents unique opportunities."

² Shinnars, J. (2022) [Defining regionality for Australian higher education](#), Journal of Higher Education Policy and Management, 44:5, 513-527, DOI: 10.1080/1360080X.2022.2109558

For JCU, the priority for the Accord process is a tertiary education sector (universities and VET) that can operate as a system capable of harnessing the power of distinct missions.

The current one-size-fits-all funding streams, spread across multiple programs, requiring significant regulatory compliance, results in perverse incentives and outcomes. Economies of scale mean that compliance reporting costs for a university that has 100,000 students are similar to those we carry with the income from our 20,000 students. On top of this, the costs of educational delivery in regional areas, to regional students, are significantly higher (even when controlling for smaller subject size in the regions)³ than is supported through current regional loading allocations. Funding formulas based on sector average costs results in a maldistribution of public resources.

Additionally, a focus on regional, rural and remote access and success is crucial but care must be taken that interventions do not incentivise hyper-competition from metro universities to recruit students from thin regional markets. This simply undermines the social contract of anchor institutions and does very little to address the very real needs of communities. JCU is working in partnership with schools and communities to address weakening high school completion results. Programs or policy that incentivise taking the most capable students out of a diminishing pool puts regional economies at greater risk - we know students who study in the regions, stay in the regions.⁴

Our aspiration is for a uniquely Australian model capable of determining where and when it is most effective to incentivise competition, and where and when it is most effective to incentivise collaboration and other mechanisms, for the benefit of students, universities and other educational institutions, and the regions they serve. The Accord process offers a way to reach this shared understanding.

We look forward to working in partnership with government, industry, students, unions and the community during Accord deliberations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Biggs', with a stylized flourish at the end.

Professor Simon Biggs
Vice Chancellor and President

³ Croucher, G., Massaro, V., Locke, W., Marshman, I., Barone, A., Patterson L., Brooke, M., Faulkner, A. & Gallard, A. (2021) [Working paper: What does it cost to educate a university student in Australia?](#) Melbourne Centre for the Study of Higher Education and Pilbara Group.

⁴ 77% of JCU's recent graduates work in outer regional and remote locations, and 83% of JCU students originally from an outer regional town stayed to work in similar communities after graduation.