



TOP EDUCATION GROUP LTD

December 9, 2022

The Secretariat
Review of Australia's Higher Education System

Submission - Consultation Process on the Terms of Reference

Thank you for the opportunity to comment on the Review's Terms of Reference (ToR) and, in particular, on the priorities within the ToR.

The purpose of the Review is stated to be: "The Government has committed to establish an Australian Universities Accord to drive lasting reform in Australia's higher education system." Noting that "The panel will make recommendations.....to deliver a higher education system that meets the current and future needs of the nation...".

There is, in our view, one specific issue that requires emphasis that touches on several of the key areas included in the ToR. These key areas are:

1. Meeting Australia's knowledge and skills needs, now and in the future,
2. Access and opportunity, and
3. Investment and affordability.

While much of the language refers to the Review of the 'Higher Education system', the overarching focus appears to refer primarily, if not exclusively, to policies around an 'Accord' with Australia's universities. It is presumed that this includes Australia's 37 public universities together with six private (including faith-based) universities those being Avondale, Bond, Carnegie Mellon (noting the June 2022 announcement of the closure of its Australian operations), Torrens, Divinity and Notre Dame Australia. It is noted that the 37 public universities, the private universities and the non-university private providers account for over 1.132 million students (as measured by Equivalent Full-Time Student Load – EFTSL) in 2022 (the most recent data available from the Department in Canberra).

Of this total student population, private universities accounted for 1.60%, and non-university providers accounted for 7.04%. The non-university providers offered degree awards ranging from undergraduate to doctoral levels.

The number of enrolments in non-university higher education provider institutions is, in aggregate, significantly larger than the student load in any single Australian university and is around three times the average (mean) student load in the Australian university sector. We note that Australia's public universities are significantly larger than the average size of universities in all other OECD countries.

Top Education Group Ltd trading as Australian National Institute of Management and Commerce

ACN: 098 139 176 | CRICOS Code: 02491D | TEQSA PRV 12059 | Institute of Higher Education
Suite 1, Biomedical Building, 1 Central Ave, Eveleigh NSW 2015
Tel: + 61 2 9209 4888 | Fax: + 61 2 8088 6784 | E-mail: info@imc.edu.au | www.imc.edu.au

This alone provides a basis for recognising that Australia's higher education system involves more than just the 37 public universities. Further, it provides a basis to: reasonably presume that some of the capacity and expertise to support strengthened outcomes for higher education to meet Australia's knowledge and skills needs in the near and medium term, provide access and opportunity in the provision of higher education, and support increased innovation cost-effectively may, and likely will come from the non-university provider sector.

As noted in the July 2018 KPMG report "Reimagining Tertiary Education" (authored by distinguished higher education experts - Professor Stephen Parker, Andrew Dempster and Mark Warburton), the Australian university sector lacks a level of diversification that is present in some of the other national higher education systems. Specifically, the authors note that "we see the paradox of sameness amongst our universities, despite ostensible differences. Most, but not all the people we spoke to believe that is the case and lamented it" (Parker *et al.* 2018, p11).

The authors of the Report provide a quotation from a Vice Chancellor stating that "Australia has too much duplication, and too much trying to do the same thing" (Parker *et al.* 2018, p11).

They added that "in what has been described as 'mimetic drift' there is a view that public institutions are trying to aspire to do the same thing, reinforced by the drive to improved rankings, branding [and] the current privileging of research over teaching....."(Parker *et al.* 2018, p11).

They further stated: "In relation to teaching, not only is tuition income currently being used to cross subsidise research, there is no direct financial reward to universities that teach well" (Parker *et al.* 2018 p11). These observations are consistent with the need to embark on major reform. Our contention is that the solutions for some of the needed reforms may, and likely will, come from the smaller and, arguably, more agile non-university providers. These solutions include teaching innovations and, in particular, value-for-money high-quality education that shows high levels of student satisfaction and low levels of student attrition.

The need to expressly include non-university providers in the Review comes not just in respect of the scale of their presence in the market. These providers arguably also provide diverse offerings and innovations not always present in public universities. An example is the speed and success of the move to digitally delivered education during the pandemic. While the public universities made a heroic effort to support students with 'online' education, the level of student satisfaction dropped to historically low levels. There are lessons to be learned from the pandemic regarding innovation in teaching.

Further, some thought leadership in educational innovation comes from non-university providers. As just one example, the Chair of this institution's Council, Professor Brian Stoddart, a former Vice Chancellor in an Australian public university, and two colleagues recently offered insights into the benefits and costs of digitally delivered education in the Australian higher education context. (See Xu, *et al.* 2022)

Top Education Group Ltd trading as Australian National Institute of Management and Commerce

ACN: 098 139 176 | CRICOS Code: 02491D | TEQSA PRV 12059 | Institute of Higher Education
Suite 1, Biomedical Building, 1 Central Ave, Eveleigh NSW 2015
Tel: + 61 2 9209 4888 | Fax: + 61 2 8088 6784 | E-mail: info@imc.edu.au | www.imc.edu.au

In closing, we offer one further comment. As a consequence of the mergers that were commonplace in the creation of the higher education 'Unified National System' during the late 1980s and 1990s, all or almost all of Australia's specialist higher education providers (typically in the arts, allied health and applied fields in science and engineering) lost their independent identity. If they still exist, and most do not, they exist only within a large and comprehensive institution without the same ability to be responsive to their specific communities. This loss of independent identity has been of significance to the level of diversity in Australian higher education. With few exceptions, only the private providers now have this level of institutional specialisation. Evidence from the UK is that smaller specialist institutions can be more innovative, lower cost and have higher productivity outcomes for their students than the large comprehensive state institutions.

We recommend that the Review Panel ensure that the Review's ToR is not limited to public universities. The potential solutions and the 'blueprint' for needed reform may include ideas from elsewhere, including Australia's non-university providers and from overseas.



Cathy Xu
President and Chief Executive Officer
The Australian National Institute of Management and Commerce.

REFERENCES:

Parker S., A. Dempster, M. Warburton: *Reimagining Tertiary Education; from binary system to ego-system*. KPMG July 2018.

Xu C., B. Stoddart and K. Houghton: The positives and potential of digital education there are lessons from two years of the enforced adoption of online education, *Campus Morning Mail* June 28, 2022.